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# **WEST BATON ROUGE PARISH SCHOOL BOARD**

## **PORT ALLEN, LOUISIANA**

### **June 30, 2009**

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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 12/23/09



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**WEST BATON ROUGE PARISH SCHOOL BOARD**

**BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2009**

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**Independent Auditors' Report**

The Members of the  
West Baton Rouge Parish School Board  
Port Allen, Louisiana

We have audited the accompanying financial statements of the governmental activities, the major funds, and the aggregate non-major fund information of the West Baton Rouge Parish School Board (School Board) as of and for the year ended June 30, 2009, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major funds, and the aggregate non-major fund information of the West Baton Rouge Parish School Board as of June 30, 2009 and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's discussion and analysis and the budgetary comparison information on pages 3 through 9 and pages 36 through 41, respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the West Baton Rouge Parish School Board's basic financial statements. The accompanying supplementary information consisting of the combining non-major fund financial statements and the schedule of compensation paid board members are presented for purposes of additional analysis and are not a required part of the basic financial statements. That information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2009 on our consideration of the West Baton Rouge Parish School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

*Perthuis & Netherland*

Baton Rouge, Louisiana  
December 7, 2009

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2009**

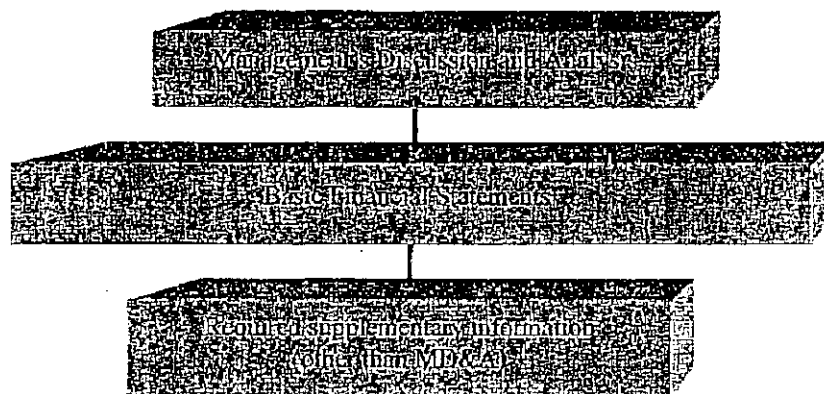
The Management's Discussion and Analysis of the West Baton Rouge Parish School Board's financial performance presents a narrative overview and analysis of West Baton Rouge Parish School Board's financial activities for the year ended June 30, 2009. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information (where available).

**FINANCIAL HIGHLIGHTS**

- ★ The West Baton Rouge Parish School Board's assets exceeded its liabilities at the close of fiscal year 2009 by approximately \$25,769,000.
- ★ During the year, the Board's revenues exceeded expenses by approximately \$3,034,000 at the end of the year.
- ★ State MFP funding increased by approximately \$317,000 from the prior year.
- ★ The General Fund operated at a surplus of approximately \$30,000, and ended the fiscal year with an accumulated fund balance of \$6,470,689. The surplus signifies that the financial condition of the School Board remains favorable.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments.



These financial statements consist of four sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), required supplementary information, and an optional section that presents combining statements for nonmajor governmental funds.

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2009**

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the School Board's finances, in a manner similar to private sector business.

The *statement of net assets* presents information on all of the School Board's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the school Board is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods. (e.g., uncollected taxes and earned by unused sick leave).

Both of the government-wide financial statements present functions of the School Board that are principally supported by taxes and intergovernmental revenues (governmental activities). The School Board has no functions or activities which are business-like in nature, meaning that they are primarily supported by user fees and charges for services, such as a municipally owned utility system. The governmental activities of the School Board include regular and special education programs, support services, administration, maintenance, student transportation, and school food services. The school Board contains no other units of government (component units) nor is it contained as a component unit of any other level of local or state government.

**Fund financial statements.** A *fund* is grouping of related accounts that are used to maintain control over the resources that have been segregated for specific activities or objectives. The School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the School Board can be divided into two categories: governmental funds and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near term inflows and outflows of spendable resources*, as well as on *balances of spendable resources available* at the end of the fiscal year. Such information may be useful in evaluating a government's near term financial requirements. Because of the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long term impact of the School Board's near-term financing decisions. Both the governmental fund balance and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The School Board maintains dozens of individual governmental funds. Information is presented separately in the government fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, the Capital Projects Fund, Property Tax Fund, and the EFID Sales Tax Fund, all of which are considered major funds.



**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2009**

**Governmental funds (continued)**

The remaining funds are combined into a single, aggregated presentation under the label of other governmental funds, which contains all non-major funds. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.

The School Board adopts annual appropriated budgets for the General Fund, Capital Projects Fund, Debt Service Fund, and Special Revenue Funds.

**Fiduciary funds-** Fiduciary Funds are used to account for resources held for the benefit of outside parties such as students. Fiduciary funds are not reflected in the government-wide financial statements because of the resources of those funds are not available to support the School Board's programs. The sole fiduciary fund of the School Board is the School Activity Fund, which contains monies belonging to the schools, their students, and clubs and other activities.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2009**

**FINANCIAL ANALYSIS OF THE ENTITY**

	<u>2009</u>	<u>2008</u>	<u>change</u>
Cash and other assets	\$ 13,409,438	\$ 11,450,763	\$ 1,958,675
Receivables	3,678,758	3,501,989	176,769
Investments	5,025,750	5,025,750	-
Capital assets, net	14,994,593	14,764,571	230,022
Total assets	<u>37,108,539</u>	<u>34,743,073</u>	<u>2,365,466</u>
Accounts, salaries, and other payables	4,056,337	3,596,593	459,744
Deferred revenues	36,208	351,030	(314,822)
Net post-employment benefit obligations	1,240,559	-	1,240,559
Compensated Absences Payable	836,375	1,345,238	(508,863)
Bonds payable	5,170,000	6,715,000	(1,545,000)
Total liabilities	<u>11,339,479</u>	<u>12,007,861</u>	<u>(668,382)</u>
Net assets:			
Invested in capital assets, net of related debt	9,824,593	8,049,571	1,775,022
Restricted for Debt Service	1,691,289	1,175,890	515,399
Restricted for Compensation	2,607,166	2,029,676	577,490
Restricted for Capital Projects	6,452,731	6,274,167	178,564
Unrestricted	5,193,281	5,205,908	(12,627)
Total net assets	<u>\$ 25,769,060</u>	<u>\$ 22,735,212</u>	<u>\$ 3,033,848</u>

- Cash and other assets account for 37% of the total assets of the School Board and increased substantially from the prior year due to positive results of the sales tax fund and the receipt of insurance proceeds of approximately \$853,000.
- Capital assets, which are reported net of accumulated depreciation, account for 40% of the total assets of the School Board for the most recent year end.
- Bonds payable which have decreased \$1,545,000 or 23% from the prior year and account for 46% of total liabilities reported.
- Net assets invested in capital assets account for 38% of total net assets reported as of June 30, 2009.
- Unrestricted nets assets accounted for 20% and 23% of total net assets for the years ended 2009 and 2008, respectively.
- Total net assets have increased by approximately \$3,034,000 or 13% from prior year as restated.

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2009**

Changes in Net Assets

	<u>2009</u>	<u>2008</u>	<u>change</u>
<b>Revenues</b>			
Charges for services	\$ 350,607	\$ 327,260	\$ 23,347
Operating grants	9,336,502	6,268,759	3,067,743
General revenues			
Taxes	23,375,526	22,297,770	1,077,756
Earnings on Investments	430,864	780,912	(350,048)
MFP	14,250,220	13,933,464	316,756
Insurance proceeds	853,487	-	853,487
Other	366,187	408,523	(42,336)
	<u>48,963,393</u>	<u>44,016,688</u>	<u>4,946,705</u>
<b>Expenses</b>			
Regular education	14,324,812	13,057,890	1,266,922
Special education	5,265,977	4,512,144	753,833
Other education	7,713,039	5,553,141	2,159,898
Pupil support	1,532,722	1,437,819	94,903
Instructional staff	1,876,178	2,092,414	(216,236)
General administrative	2,192,516	1,426,296	766,220
School administrative	2,384,449	2,244,730	139,719
Business services	390,213	354,521	35,692
Plant operation and maintenance	4,725,343	2,893,984	1,831,359
Student transportation	2,313,391	1,943,382	370,009
Central services	245,955	266,765	(20,810)
Facility acquisition and construction	153,106	-	153,106
Food service	2,489,999	2,322,134	167,865
Interest and bank charges	321,845	380,645	(58,800)
	<u>45,929,545</u>	<u>38,485,865</u>	<u>7,443,680</u>
<b>Change in net assets</b>	<u>\$ 3,033,848</u>	<u>\$ 5,530,823</u>	<u>\$ (2,496,975)</u>

- Taxes have increased approximately \$1.1 million from prior year. Sales taxes increased by \$901,406 due to the growth of the parish as well as some major construction projects in West Baton Rouge Parish. The revenues related to ad-valorem tax have remained relatively constant due to the decrease in levied millage compared to the prior year. MFP funds increased by \$317,000 or 2.2% from prior year.
- Total expenses have increased by \$7.4 million or 19% during the fiscal year. This increase is due to pay raises approved and funded by the State Legislature and a corresponding increase in employment benefits. The School Board also incurred expenses of \$1.1 million of expenditures related to Hurricane Gustav. Also, this was the first full year of the operation of the Head Start program that accounted for \$1.4 million of expenditures.

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2009**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of 2009, the West Baton Rouge Parish School Board had \$14,994,593 (net of depreciation) invested in a broad range of capital assets, including land, building, and equipment. (See Table below)

This amount represents a net increase (including additions, deductions, and changes in capitalization) of \$230,022, or 2%, over last year which is attributed to a prior period adjustment made to adjust cost and accumulated depreciation. This prior period adjustment was in the net amount of \$962,263.

Capital Assets at Year-end  
(Net of Depreciation)

	<u>2009</u>	<u>2008</u>	<u>change</u>
Land	\$ 4,261,780	\$ 4,261,780	\$ -
Land improvements	1,144,223	1,136,392	7,831
Buildings and improvements	9,300,111	9,211,144	88,967
Equipment and fixtures	<u>288,479</u>	<u>155,255</u>	<u>133,224</u>
	<u>\$ 14,994,593</u>	<u>\$ 14,764,571</u>	<u>\$ 230,022</u>

- This year's major additions included purchases of equipment and fixtures related to the new Head Start program.

**Long-term debt.** At the end of the current fiscal year, the School Board had bonded debt outstanding of \$5,170,000. This was a 23% decrease in bonds payable over last year. The OPEB obligation is a result of a newly issued accounting standard; Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefit Plans Other Than Pensions*.

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2009**

**Long-term debt (continued)**

Long-Term Debt at June 30, 2009

	<u>2009</u>	<u>2008</u>
Bonds payable	\$ 5,170,000	\$ 6,715,000
Net other postemployment benefit obligation (OPEB)	1,240,559	-
Compensated absences	<u>836,375</u>	<u>1,345,238</u>
	<u>\$ 7,246,934</u>	<u>\$ 8,060,238</u>

**VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS**

Budget amendments were not adopted during the year ended June 30, 2009 for the General Fund, Capital Project Fund, Property Tax Fund, and EFID Sales Tax Fund to reflect various expenditure adjustments. This resulted in state budget violations for the General Fund and Property Tax Fund.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

The financial stability that is necessary to fund services provided by the School Board is achieved by federal and state funding. These revenue sources represent 43%, or \$18.9 million, of total projected 2010 proceeds. Local revenues (primarily sales and use and ad valorem taxes) represent 51%, or \$22.5 million, of total projected proceeds.

The West Baton Rouge Parish School Board's elected and appointed officials considered the following factors and indicators when setting next year's budget. These factors and indicators include:

- Ad valorem tax revenue is projected to increase by \$500,000 due to millage rollforward. Sales and use tax revenue is expected to decrease by \$1.2 million, as the national, state, and local economies continue in the current economic recession. The School Board will receive a total of \$13.3 million in MFP including \$410,000 in federal economic stimulus fund provided by the American Reinvestment and Recovery Act of 2009. Federal revenues are projected at \$4.9 million.
- Total Salaries budgeted include an estimated 1% step increase earned by employees due to their length of employment. Health insurance costs are projected to increase by 3% over last year's cost. Salaries and benefits together comprise over 80% of total general fund expenditures.
- The State is considering various midyear 2009-2010 budget cuts that may affect MFP. The School Board's management is monitoring the MFP's funding levels and will adjust the general fund budget as necessary.

**CONTACTING THE WEST BATON ROUGE PARISH SCHOOL BOARD'S MANAGEMENT**

This financial report is designed to provide a general overview of the School Board's finances for those with an interest in the government's financial position and operations. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Josh Langlois, Supervisor of Business Services, West Baton Rouge parish School Board, 3761 Rosedale Road, Port Allen, LA 70767.

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**Port Allen, Louisiana**

**STATEMENT OF NET ASSETS**

**June 30, 2009**

**ASSETS**

Cash and cash equivalents	\$ 13,388,343
Receivables	3,678,758
Investments in certificates of deposit	5,025,750
Inventory	21,095
Capital Assets, net of accumulated depreciation	<u>14,994,593</u>
<b>TOTAL ASSETS</b>	<b><u>37,108,539</u></b>

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts, salaries and other payables	4,056,337
Deferred revenues	36,208
Long-term liabilities	
Net post-employment benefit obligations	1,240,559
Compensated absences payable	836,375
Bonds payable	
Due within one year	1,625,000
Due in more than one year	<u>3,545,000</u>
<b>TOTAL LIABILITIES</b>	<b><u>11,339,479</u></b>

**NET ASSETS**

Invested in capital assets, net of related debt	9,824,593
Restricted for:	
Debt service	1,691,289
Compensation	2,607,166
Capital Projects	6,452,731
Unrestricted	<u>5,193,281</u>
<b>TOTAL NET ASSETS</b>	<b><u>\$ 25,769,060</u></b>

The accompanying notes are an integral part of this statement.

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**Port Allen, Louisiana**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2009**

		Program Revenues		Net (Expense)
				Revenue and
				Changes in Net
				Assets
				Governmental
				Unit
	Expenses	Charges for Services	Operating Grants and Contributions	
<b><u>Functions/Programs</u></b>				
<b>Instruction:</b>				
Regular education programs	\$ 14,324,812	\$ -	\$ 948,788	\$ (13,376,024)
Special education programs	5,265,977	-	756,246	(4,509,731)
Other education programs	7,713,039	-	4,884,473	(2,828,566)
<b>Support Services:</b>				
Pupil support services	1,532,722	-	327,850	(1,204,872)
Instructional staff services	1,876,178	-	379,933	(1,496,245)
General administration services	2,192,516	-	62,937	(2,129,579)
School administration services	2,384,449	-	86,770	(2,297,679)
Business services	390,213	-	14,046	(376,167)
Plant operation and maintenance	4,725,343	-	195,932	(4,529,411)
Student transportation	2,313,391	-	103,417	(2,209,974)
Central services	245,955	-	10,071	(235,884)
Facility acquisition and construction	153,106	-	108,096	(45,010)
<b>Non-Instruction Services:</b>				
Food service	2,489,999	350,607	1,457,943	(681,449)
<b>Debt Service:</b>				
Interest and bank charges	321,845	-	-	(321,845)
<b>Total Governmental Activities</b>	<b>45,929,545</b>	<b>350,607</b>	<b>9,336,502</b>	<b>(36,242,436)</b>
<b>General Revenues</b>				
<b>Taxes:</b>				
Ad Valorem taxes				10,777,201
Sales and use taxes				12,598,325
<b>Grants and contributions not restricted to specific purposes:</b>				
Minimum Foundation Program				14,250,220
Interest and investment earnings				430,864
Miscellaneous				366,187
<b>Special item:</b>				
Insurance proceeds from hurricane damage				853,487
<b>Total general revenues</b>				<b>39,276,284</b>
<b>Change in Net Assets</b>				<b>3,033,848</b>
<b>Net Assets - June 30, 2008, restated</b>				<b>22,735,212</b>
<b>Net Assets - June 30, 2009</b>				<b>\$ 25,769,060</b>

The accompanying notes are an integral part of this statement.

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**Port Allen, Louisiana**

**GOVERNMENTAL FUNDS**

**BALANCE SHEET**

**JUNE 30, 2009**

	General	Capital Projects	Property Tax	EFID Sales Tax	Other Non-major Governmental	Total
<b><u>ASSETS</u></b>						
Cash and cash equivalents	\$ 6,364,609	\$ 1,425,275	\$ 831,453	\$ 1,955,136	\$ 2,811,870	\$ 13,388,343
Receivables	1,156,586	1,706	-	414,676	2,105,790	3,678,758
Investments	-	5,025,750	-	-	-	5,025,750
Due from other funds	1,527,716	-	-	-	-	1,527,716
Inventory	-	-	-	-	21,095	21,095
<b>TOTAL ASSETS</b>	<b>9,048,911</b>	<b>6,452,731</b>	<b>831,453</b>	<b>2,369,812</b>	<b>4,938,755</b>	<b>23,641,662</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>						
<b>Liabilities:</b>						
Accounts payable	336,859	-	-	-	287,775	624,634
Salaries and benefits payable	2,241,363	-	378,803	215,296	596,241	3,431,703
Due to other funds	-	-	-	-	1,527,716	1,527,716
Deferred revenues	-	-	-	-	36,208	36,208
<b>TOTAL LIABILITIES</b>	<b>2,578,222</b>	<b>-</b>	<b>378,803</b>	<b>215,296</b>	<b>2,447,940</b>	<b>5,620,261</b>
<b>Fund balances:</b>						
Reserved for debt service	-	-	-	-	1,691,289	1,691,289
Reserved for capital projects	-	6,452,731	-	-	-	6,452,731
Reserved for compensation	-	-	452,650	2,154,516	-	2,607,166
Unreserved, undesignated	6,470,689	-	-	-	799,526	7,270,215
<b>TOTAL FUND BALANCES</b>	<b>6,470,689</b>	<b>6,452,731</b>	<b>452,650</b>	<b>2,154,516</b>	<b>2,490,815</b>	<b>18,021,401</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 9,048,911</b>	<b>\$ 6,452,731</b>	<b>\$ 831,453</b>	<b>\$ 2,369,812</b>	<b>\$ 4,938,755</b>	<b>\$ 23,641,662</b>

The accompanying notes are an integral part of this statement.



**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**Port Allen, Louisiana**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET ASSETS**  
**June 30, 2009**

Total Fund Balances at June 30, 2009 - Governmental Funds		\$ 18,021,401
Cost of capital assets at June 30, 2009	\$ 29,211,826	
Less: Accumulated Depreciation as of June 30, 2009:	<u>(14,217,233)</u>	14,994,593
Long-term liabilities at June 30, 2009:		
Bonds payable	\$ (5,170,000)	
Compensated absences payable	(836,375)	
Net other post-employment benefit obligation		
- unfunded actuarial accrued liability	<u>(1,240,559)</u>	<u>(7,246,934)</u>
Total net assets at June 30, 2009 - Governmental Activities		<u>\$ 25,769,060</u>

The accompanying notes are an integral part of this statement.

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**Port Allen, Louisiana**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	General	Capital Projects	Property Tax	EFID Sales Tax	Other Non-major Governmental	Total
<b><u>REVENUES</u></b>						
Local sources:						
Ad valorem taxes	\$ 5,240,931	\$ -	\$ 3,082,766	\$ -	\$ 2,453,504	\$ 10,777,201
Sales and use taxes	6,368,740	-	-	6,231,385	-	12,598,325
Earnings on investments	172,397	243,876	-	-	14,391	430,664
Food Services	-	-	-	-	350,607	350,607
Other	27,188	184,688	-	-	154,311	366,187
State sources:						
Unrestricted grants-in-aid, MFP	13,845,220	-	-	-	405,000	14,250,220
Restricted grants-in-aid	578,946	-	-	-	2,191,198	2,770,144
Revenue Sharing	111,504	-	-	-	-	111,504
Federal sources:						
Grants	460,123	-	-	-	5,862,201	6,322,324
Other	132,530	-	-	-	-	132,530
<b>TOTAL REVENUES</b>	<b>26,935,779</b>	<b>428,564</b>	<b>3,082,766</b>	<b>6,231,385</b>	<b>11,431,212</b>	<b>48,109,906</b>
<b><u>EXPENDITURES</u></b>						
Current:						
Instruction:						
Regular education programs	11,246,039	-	1,271,919	1,009,677	466,457	13,994,092
Special education programs	3,778,361	-	507,599	389,920	580,681	5,256,561
Other education programs	2,201,125	-	507,251	255,036	4,712,715	7,676,127
Support:						
Pupil support services	1,061,599	-	132,639	63,500	274,584	1,532,722
Instructional staff services	1,282,091	-	127,179	69,269	318,737	1,797,276
General administration services	1,493,394	-	109,825	108,249	85,650	1,797,118
School administration services	2,058,903	-	153,301	48,250	-	2,260,663
Business and central services	333,282	-	19,015	19,745	-	372,042
Plant operation and maintenance	4,649,088	-	91,094	112,389	-	4,852,571
Student transportation	2,055,560	-	47,729	50,677	16,454	2,170,420
Food services	47,125	-	111,912	96,126	2,210,246	2,465,409
Central services	238,976	-	3,078	3,901	-	245,955
Facility acquisition and construction	576,972	-	-	-	108,098	685,070
Debt service - Principal	-	-	-	-	1,545,000	1,545,000
Debt service - Interest	-	-	-	-	321,845	321,845
<b>TOTAL EXPENDITURES</b>	<b>31,022,915</b>	<b>-</b>	<b>3,082,741</b>	<b>2,226,748</b>	<b>10,640,467</b>	<b>46,972,871</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>\$ (4,087,136)</b>	<b>\$ 428,564</b>	<b>\$ 25</b>	<b>\$ 4,004,637</b>	<b>\$ 790,745</b>	<b>\$ 1,137,035</b>

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**Port Allen, Louisiana**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2009**

(continued)

	General	Capital Projects	Property Tax	EFID Sales Tax	Other Non-major Governmental	Total
<b><u>OTHER FINANCING SOURCES (USES)</u></b>						
Insurance proceeds from hurricane damage	\$ 853,487	\$ -	\$ -	\$ -	\$ -	\$ 853,487
Transfers in	3,513,759	-	-	-	500,000	4,013,759
Transfers out	(250,000)	(250,000)	-	(3,427,372)	(86,387)	(4,013,759)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>4,117,246</b>	<b>(250,000)</b>	<b>-</b>	<b>(3,427,372)</b>	<b>413,613</b>	<b>853,487</b>
<b><u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES</u></b>	<b>30,110</b>	<b>178,564</b>	<b>25</b>	<b>577,465</b>	<b>1,204,358</b>	<b>1,990,522</b>
Fund balances, June 30, 2008, restated	6,440,579	6,274,167	452,625	1,577,051	1,216,457	16,030,879
<b>FUND BALANCES, JUNE 30, 2009</b>	<b>\$ 6,470,689</b>	<b>\$ 6,452,731</b>	<b>\$ 452,650</b>	<b>\$ 2,154,516</b>	<b>\$ 2,490,815</b>	<b>\$ 18,021,401</b>

(concluded)

The accompanying notes are an integral part of this statement.

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**Port Allen, Louisiana**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS -**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE TO STATEMENT OF ACTIVITIES**  
**FISCAL YEAR ENDED JUNE 30, 2009**

Excess of Revenues and Other Financing Sources over Expenditures and Other Uses - Total Governmental Funds		\$ 1,990,522
Capital Assets:		
Capital outlay and other expenditures capitalized	\$ 701,474	
Depreciation expense for year ended June 30, 2009	<u>(471,452)</u>	230,022
Long Term Debt:		
Principal portion of debt service payments	\$1,545,000	
Change in post-employment benefit obligation	<u>(1,240,559)</u>	
Change in compensated absences payable	<u>508,863</u>	<u>813,304</u>
Change in Net Assets - Governmental Activities		<u>\$3,033,848</u>

The accompanying notes are an integral part of this statement

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**Port Allen, Louisiana**

**FIDUCIARY FUNDS**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**JUNE 30, 2009**

	<u>Agency Funds</u>
<b><u>ASSETS</u></b>	
Cash and cash equivalents - School Activity Accounts	\$ 413,186
Investments	<u>24,484</u>
<b>TOTAL ASSETS</b>	<b><u>437,670</u></b>
<b><u>LIABILITIES</u></b>	
Amounts held for others	<u>437,670</u>
<b>TOTAL LIABILITIES</b>	<b><u>\$ 437,670</u></b>

The accompanying notes are an integral part of this statement

## WEST BATON ROUGE PARISH SCHOOL BOARD

### NOTES TO THE FINANCIAL STATEMENTS

#### 1. GENERAL INFORMATION

The West Baton Rouge Parish School Board (School Board) is a corporate body created under Louisiana Revised Statutes 17:51. A board consisting of 10 members (the Board) elected from legally established districts is charged with the management and operation of the school system.

The school system is composed of a central office and 10 schools. Student enrollment as of October 2008 was approximately 3,500. The regular school term normally begins during the latter half of August and runs until the end of May.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the School Board conform to generally accepted accounting principles (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the standard setting body for establishing governmental accounting and financial reporting principles.

##### A. Financial Reporting Entity

GASB Statement 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the School Board is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no component units, defined by GASB Statement 14 as other legally separate organizations for which the elected school board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

##### B. Fund Accounting

The financial transactions of the School Board are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School Board functions and activities. A fund is defined as a separate fiscal and accounting entity with a self balancing set of accounts.

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Fund Accounting (continued)**

Funds of the School Board are classified into two broad categories: Governmental and Fiduciary, as discussed below.

**Governmental Fund Types:**

Governmental funds are used to account for all or most of the School Board's general operating activities. These funds focus on the sources, uses and balances of the current financial resources. Expendable assets are assigned to various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the School Board. The following are the School Board's primary governmental funds:

*General Fund* - The General Fund is the general operating fund of the School Board. It is used to account for all financial resources except those required to be accounted for in another fund.

*Special Revenue Funds* - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

*Debt Service Fund* - The Debt Service Fund is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs.

*Capital Projects Fund* - The Capital Projects fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

**Fiduciary Fund:**

Fiduciary fund reporting focuses on net assets and changes in the net assets. The only fund accounted for in this category by the school board is the Agency Fund. Agency Funds are used to account for assets held by the board in a trustee capacity or as an agent for individuals, private organizations or other governmental units and/or other funds. Consequently, the Agency Fund has no measurement focus, but utilizes the accrual basis of accounting.

## WEST BATON ROUGE PARISH SCHOOL BOARD

### NOTES TO THE FINANCIAL STATEMENTS

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### C. Basis of Presentation

The School Board's basic financial statements consist of the government-wide statements and fund financial statements (individual major fund, combined non-major fund, and fiduciary fund). The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units. Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict or contradict guidance of the GASB.

##### D. Measurement Focus/ Basis of Accounting

###### Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the School Board, except for those which are fiduciary in nature. Those activities are reported in the statement of fiduciary assets and liabilities at the fund financial statement level.

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from the exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB No. 33, *Accounting and Reporting for Non-exchange transactions*.

###### Program Revenues

Program revenues included in the Statement of Activities are derived directly from parties outside of the school board's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the school board's general revenues, generally taxes.

###### Allocation of Indirect Expenses

The school board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable by function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense which can be specifically identified by function is included in the direct expenses of each function. Depreciation on the buildings is assigned to the general administration function due to the fact that school buildings serve multiple purposes. Interest on long term debt is considered an indirect expense and is reported separately on the Statement of Activities.



**WEST BATON ROUGE PARISH SCHOOL BOARD**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Measurement Focus/ Basis of Accounting (continued)**

**Fund Financial Statements (FFS)**

**Governmental Funds**

The accounting and financial reporting treatments applied to a fund is determined by its measurement focus. All Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financial sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Governmental Funds are accounted for on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual - that is, when they become measurable and available to pay current period liabilities. Such revenue items are ad valorem taxes, sales taxes and state and federal entitlements. Sales and use taxes and ad valorem taxes are considered "available" when expected to be collected within the next two months. Revenue from state and federal grants is recorded when the reimbursable expenditures have been incurred and is considered available if collected within six months after year end.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Costs of accumulated unpaid vacation, sick leave and other employee benefit amounts are reported in the period due and payable rather than the period earned by employees and general long-term obligations principal and interest payments are recognized only when due.

**E. Budget and Budgetary Accounting**

The School Board follows these procedures in establishing the budgetary data reflected in the combined financial statements:

The General Fund and the Special Revenue Funds are the only funds with legally required budgets. All of the Special Revenue Funds have legally required budgets. The General Fund budget and the Special Revenue Funds' budgets are adopted on an annual basis.

Prior to September 15, the Superintendent submits to the Board a proposed annual appropriated budget for the General Fund for the fiscal year commencing the prior July 1.

The operating budgets include proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments.

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. Budget and Budgetary Accounting (continued)**

Prior to September 15, the General Fund budget is legally enacted through adoption by the Board.

Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. Formal budgetary integration is not employed for the Debt Service Fund because effective budgetary control is alternatively achieved through general obligation bond indenture provisions.

Unencumbered appropriations in the General Fund lapse at the end of the fiscal year. Budgeted amounts are as originally adopted or as amended by the Board. Legally the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the fund level and management can transfer amounts between line items.

Special Revenue Funds' budgets that are not grant-oriented have annual appropriated budgets adopted prior to September 15 by the Board. Grant funds are included in Special Revenue Funds and their budgets are adopted at the time the grant applications are approved by the grantor. Unencumbered appropriations of grant-oriented Special Revenue Funds are re-appropriated at the beginning of the following fiscal year. Un-encumbered appropriations of certain non-grant-oriented Special Revenue Funds lapse at the end of the fiscal year. The Capital Projects Fund budget is adopted on a project basis as projects are approved by the Board. By statute, the Board is not required to adopt a budget for its Capital Projects Fund; therefore, these funds utilize project budgets rather than annual budgets and accountability is controlled over the life of the project. These budgets are adopted on a basis consistent with GAAP.

All budget amounts presented in the combined financial statements have been adjusted for legally authorized revisions of the annual budgets during the year. All budget revisions are approved by the 10-member Board.

**F. Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposits and certificates of deposits with maturity dates within three months of the dates acquired.

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**G. Investments**

Investments are limited by LSA-R.S. 33:2955 and the School Board's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Investment income includes interest earned, realized gains and losses, and unrealized gains and losses (changes in fair value).

**H. Inventory**

Inventory is stated at the lower of cost or market based on information provided by the United States Department of Agriculture. Inventory consists of expendable supplies and food items held for consumption. The costs of inventory items are recognized as expenditures when used.

**I. Capital Assets**

Capital assets are capitalized at historical cost, or estimated historical cost for assets where the actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair value at the date of the donation. The School Board maintains a \$5,000 threshold level for capitalizing assets.

Capital assets are recorded in the GWFS, but are not recorded in the FFS. All capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the school board, no salvage value is taken into consideration for depreciation purposes. Useful lives are approximately 40 years for buildings and 5 to 20 years for equipment.

The School Board does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Amounts expended for such items prior to June 30, 2002 were considered to be part of the cost of buildings or other immovable property such as stadiums. In the future, if such items are built or constructed, and appear to be material in cost compared to all capital assets, they will be capitalized and depreciated over their estimated useful lives as with all other capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**J. Reserves and Designations**

Portions of fund balances are reserved for future use and, therefore, are not available for appropriation or expenditure. Designations of unreserved fund balances in Governmental Fund types indicate the School Board's plans for the use of financial resources in a future period.

**K. Interfund Transactions**

During the course of normal operations, the School Board has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets and service debt. The accompanying financial statements generally reflect such transactions as operating transfers.

**L. Sales and Use Tax**

The School Board levies two separate sales taxes on taxable sales within the Parish. The sales tax is collected by West Baton Rouge Parish Department of Revenue and remitted to the School Board in the month following receipt by the Department of Revenue. The Department of Revenue receives the sales tax approximately one month after collection by vendors.

In October 1965, the voters of the parish approved a permanent one percent sales and use tax. The net proceeds (after deduction for the cost of collection) are dedicated for salaries of teachers and for the general operations of the schools. Proceeds from this tax are included as revenue in the General Fund.

In May 1999, the voters of the parish approved an additional one percent sales and use tax. The net proceeds (after deduction for cost of collection) are dedicated as follows: 1) 45% to be used for teachers' and support staff salaries; 2) 55% to eliminate operating deficits of the General Fund by providing monies to pay the cost of operation and maintenance of the school system. Proceeds from this tax are included as revenues in the Educational Facilities Improvement District Special Revenue and the General Fund.

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**M. Compensated Absences**

Teachers and other school employees accrue from 10 to 13 days of sick leave per year depending upon the number of months worked. Sick leave may be accumulated without limitation. Upon death or retirement, unused accumulated sick leave of up to 25 days is paid to employees or their heirs at the employee's current rate of pay. The accrual computation for earned sick leave is calculated on a 25-day maximum per employee. Sick leave is not payable upon discharge or termination. Upon retirement, accumulated sick leave beyond 25 days is used in the retirement benefit computation as earned service.

All 12-month employees earn from 10 to 20 days of annual vacation leave per year depending on length of service with the School Board.

In Governmental Fund types, sick and vacation leave that has been claimed by employees as of the end of the fiscal year is recorded as an expenditure in the year claimed. Sick leave accrued as of the end of the fiscal year is valued using employees' current rates of pay. Accrued sick leave will be paid from future years' resources. No allowance is made for the immaterial amounts of sick leave forfeited when employees resign or retire.

**3. EQUITY IN POOLED CASH, DEPOSITS AND INVESTMENTS**

**A. Equity in Pooled Cash**

Cash and investments consist of demand deposit accounts and certificates of deposit at a local bank. The School Board maintains a cash pool that is available for use by all funds. Positive book cash balances are displayed on the combined balance sheet as "Cash." Negative book cash balances are included in "Due to Other Funds" on the combined balance sheet.

**B. Deposits**

The carrying amount of the School Board's deposits with financial institution was \$13,826,013 and the bank balance was \$16,405,010. Deposits in financial institutions can be exposed to custodial credit risk. Custodial credit risk is the risk that in the event of a financial institution failure, the School Board's deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. As of June 30, 2009, the School Board has no custodial credit risk.

Securities that may be pledged as collateral consist of obligations of the U.S. Government and its agencies, obligations of the State of Louisiana and its municipalities and school districts.

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**NOTES TO THE FINANCIAL STATEMENTS**

**3. EQUITY IN POOLED CASH, DEPOSITS AND INVESTMENTS** (continued)

**C. Investments**

Interest Rate Risk- The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**4. AD VALOREM TAXES**

Ad valorem (property) taxes were levied for the fiscal year 2009 by the School Board on September 9, 2008; based on assessed valuation of property as of January 1, 2008. These taxes become due and payable on November 15 of each year and become delinquent after December 31 of the year levied.

Total assessed value was \$290,257,252 in calendar year 2008. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$37,217,148 of the assessed value in calendar year 2008.

The following are the School Board authorized and levied ad valorem taxes for 2008:

	<u>Levied Millage</u>
General Fund:	
Constitutional	3.91
Maintenance	10.68
Salaries	13.34
Debt Service:	<u>8.50</u>
	<u>36.43</u>

State law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of one and one-fourth percent per month until taxes are paid. After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the General Fund and Debt Service Fund on the basis explained in note 2D. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year end.

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**NOTES TO THE FINANCIAL STATEMENTS**

4. **AD VALOREM TAXES** (continued)

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property. Therefore, there is no allowance for uncollectible taxes.

5. **RETIREMENT SYSTEMS**

Substantially all employees of the School Board are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers' Retirement System of Louisiana; other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by a separate board of trustees. Pertinent information relative to each plan follows:

A. **Teachers' Retirement System of Louisiana (TRS)**

*Plan Description.* The TRS consists of two membership plans: Regular Plan, Plan A and Plan B. The TRS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The TRS issued a publicly available financial report that includes financial statements and required supplementary information for the TRS. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (225) 925-6446.

*Funding Policy.* Plan members are required to contribute 8.0% and 9.1% of their annual covered salary for the Regular Plan, Plan A and Plan B. The School Board is required to contribute at an actuarially determined rate. The current rate is 15.5 percent of annual covered payroll for all three membership plans. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board.

The School Board's contributions to the TRS for the years ended June 30, 2009, 2008, and 2007 were \$3,376,488, \$3,232,359, and \$2,395,823, respectively, equal to the required contributions for each year.

B. **Louisiana School Employees' Retirement System (LSERS)**

*Plan Description.* The LSERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. That report may be obtained in writing to the Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (225) 925-6484.

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**NOTES TO THE FINANCIAL STATEMENTS**

5. **RETIREMENT SYSTEMS** (continued)

B. **Louisiana School Employees' Retirement System (LSERS)** (continued)

*Funding Policy.* Plan members are required to contribute 7.50% of their annual covered salary and the School Board is required to contribute at an actuarially determined rate. The current rate is 17.8% of covered payroll. Member contributions and employer contributions for the LSERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LSERS is funded by the State of Louisiana through annual appropriations.

The School Board's contributions to the LSERS for the years ended June 30, 2009, 2008 and 2007 were \$155,653, \$154,694, and \$146,584, respectively, equal to the required contributions for each year.

6. **OTHER POST-EMPLOYMENT BENEFITS**

The School Board, in accordance with State statutes provides certain postretirement health care and life insurance benefits to its former employees. Substantially all of the School Board's employees may become eligible for such benefits upon reaching retirement age.

During the fiscal year ended June 30, 2009, the School Board implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefit Plans Other Than Pensions* (GASB 45). Since the year ended June 30, 2009 was the year of implementation, the School Board elected to implement prospectively; therefore, prior year comparative data is not available.

**Plan Description.** The School Board's medical benefits are provided through the Louisiana Office of Group Benefits (OGB) and are made available to employees upon actual retirement.

The Louisiana Office of Group Benefits (OGB) involves several statewide networks and one HMO with a premium structure by region. The plan provisions are contained in the official plan documents of the OGB, available at [www.groupbenefits.org](http://www.groupbenefits.org) - "Quick Links" - "Health Plans". The OGB plan is a fully insured, multiple-employer arrangement and has been deemed to be an *agent multiple-employer plan* (within the meaning of paragraph 22 of GASB 45) for financial reporting purposes and for this valuation. Medical benefits are provided to employees upon actual retirement. Most employees are covered by the Teachers' Retirement System of Louisiana (TRSL), whose retirement eligibility (D.R.O.P. entry) provisions as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 65 and 20 years of service. The remainder of employees are covered by the Louisiana School Employees' Retirement System (LSER) whose retirement (D.R.O.P. entry) eligibility provisions are the same as TRSL except that they are also eligible to retire at age 60 and 10 years of service.

Life insurance coverage under the OGB program is available to retirees by election and the blended rate (active and retired) is \$0.96 per \$1,000 of insurance. The employer pays 100% of the "cost" of the retiree life insurance, but based on the blended rates. Since GASB 45 requires the use of "unblended" rates, we have used the RP2000 Static Healthy Mortality Table (sex distinct) projected to 2010 using Scale AA to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance. Insurance coverage amounts are reduced at age 65 and again at age 70 according to the OGB plan provisions.



**WEST BATON ROUGE PARISH SCHOOL BOARD**

**NOTES TO THE FINANCIAL STATEMENTS**

**6. OTHER POST-EMPLOYMENT BENEFITS (continued)**

**Contribution Rates.** Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

**Funding Policy.** Until 2008-2009, the School Board recognized the cost of providing post-employment medical and life benefits (the School Board's portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. With the implementation of GASB 45 in 2008/2009, the School Board's portion of health care and life insurance funding cost for retired employees that was recognized as expense totaled \$2,506,894.

**Annual Required Contribution.** The School Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, closed amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The total ARC for the fiscal year beginning July 1, 2008 is \$2,506,894 for medical and life, as set forth below:

Normal Cost	\$ 867,116
30-year UAL amortization amount	<u>1,639,778</u>
Annual required contribution (ARC)	<u>\$ 2,506,894</u>

**Net Post-employment Benefit Obligation (Asset).** The table below shows the School Board's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for fiscal year ending June 30, 2009:

Beginning Net OPEB Obligation (Asset) 7/1/2008	\$ -
Annual required contribution	2,506,894
Interest on Net OPEB Obligation (Asset)	-
ARC Adjustment	<u>-</u>
OPEB Cost	2,506,894
Contribution	-
Current year retiree premium (plan contributions)	<u>(1,266,335)</u>
Change in Net OPEB Obligation	<u>1,240,559</u>
Ending NET OPEB Obligation (Asset) 6/30/2009	<u>\$ 1,240,559</u>

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**NOTES TO THE FINANCIAL STATEMENTS**

**6. OTHER POST-EMPLOYMENT BENEFITS (continued)**

The following table shows the School Board's annual post employment benefits (OPEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (OPEB) liability (asset):

Post Employment Benefit	Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Obligation (Asset)
Medical and Life	June 30, 2009	\$2,506,894	50.51%	\$1,240,559

**Funded Status and Funding Progress.** In the fiscal year ending June 30, 2009, the School Board plan was not funded, has no assets, and hence has a funded ratio of zero. As of July 1, 2008, the first and most recent actuarial valuation, the Actuarial Accrued Liability (AAL) was \$28,355,094 (medical and life), which is defined as that portion, as determined by a particular actuarial cost method (the School Board uses the Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost. Since the plan was not funded in fiscal year 2008/2009, the entire actuarial accrued liability of \$27,328,367 (medical) and \$1,026,727 (life) was unfunded.

Actuarial Accrued Liability (AAL)	\$	28,355,094
Actuarial Value of Plan Assets		-
Unfunded Act. Accrued Liability (UAAL)		<u>28,355,094</u>
Funded Ratio (Act. Val. Assets/AAL)		0%
Covered Payroll (active plan members)	\$	23,338,480
UAAL as a percentage of covered payroll		109%

**Actuarial Methods and Assumptions.** Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the School Board and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the School Board and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the School Board and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**NOTES TO THE FINANCIAL STATEMENTS**

**6. OTHER POST-EMPLOYMENT BENEFITS (continued)**

**Actuarial Value of Plan Assets.** Since plan contributions have not been set aside in an irrevocable trust, there are not any assets.

**Post employment Benefit Plan Eligibility Requirements.** It is assumed that entitlement to benefits will commence three years after earliest eligibility to enter the D.R.O.P. as described in this note under the heading "Plan Description" for 25% of the participants. Medical benefits are provided to employees upon actual retirement. Entitlement to benefits continue through Medicare to death.

**Investment Return Assumption (Discount Rate).** GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation. This is a conservative estimate of the expected long term return of a balanced and conservative investment portfolio under professional management.

**Health Care Cost Trend Rate.** The expected rate of increase in medical cost is 7.8% as an initial rate and graduated down. Zero trend has been assumed for valuing life insurance.

**Mortality Rate.** The RP2000 Static Healthy Mortality Table (sex distinct) projected to 2010 using Scale AA, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. Since GASB 45 requires the use of "unblended" rates, we have used the table described above to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance.

**Method of Determining Value of Benefits.** The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The "State Share" premiums in the OGB medical rate schedule provided are "unblended" rates for active and retired as required by GASB 45 and have been used for valuation purposes.

**7. GENERAL LONG-TERM OBLIGATIONS**

The following is a summary of the long-term obligation transactions for the years ended June 30, 2009:

	<u>July 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2009</u>
Bonds Payable	\$ 6,715,000	\$ -	\$(1,545,000)	\$ 5,170,000
Net Post-employment Benefit Obligations	-	1,240,559	-	1,240,559
Compensated Absences	<u>1,345,238</u>	<u>386,725</u>	<u>(895,588)</u>	<u>836,375</u>
	<u>\$ 8,060,238</u>	<u>\$1,627,284</u>	<u>\$(2,440,588)</u>	<u>\$ 7,246,934</u>

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**NOTES TO THE FINANCIAL STATEMENTS**

**7. GENERAL LONG-TERM OBLIGATIONS (continued)**

General Obligation bonds have been issued to provide funds for the acquisition and construction of major capital facilities and to refund existing general obligation bonds. General Obligation bonds currently outstanding are as follow:

\$14,560,000 General Obligation School Improvement  
Refunding Bonds, Series 1999, issued February 1, 1999  
for the purpose of refunding General Obligation School  
Improvements Bonds, Series 1992 due in annual principle  
installments of \$1,330,000 to \$1,825,000 through  
February 29, 2012 with interest at 4% to 5% secured by  
an annual ad valorem tax levy. \$5,170,000

At June 30, 2009, the School Board has accumulated \$1,691,289 in the debt service fund for future debt retirement. The annual requirements to amortize all bonds at June 30, 2009, including interest of \$527,000 are as follows:

<u>Year Ending</u> <u>June 30, _____</u>	<u>Amount</u>
2010	\$1,833,500
2011	1,897,250
2012	<u>1,916,250</u>
Total	<u>\$5,697,000</u>

In accordance with LSA – R.S. 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of taxable property with the parish. At June 30, 2009, the statutory limit is \$101,590,038 and outstanding bonded debt totals \$5,170,000.

Compensated absences payable consist of the portion of accumulated sick leave of the governmental funds that is not expected to require current resources.

Net other post-employment benefit obligation consist of actuarial liabilities for future payments of promised retirement benefits.

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**NOTES TO THE FINANCIAL STATEMENTS**

**8. CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended June 30, 2009 is as follows:

	<u>Land</u>	<u>Land Improvements</u>	<u>Buildings and Improvements</u>	<u>Equipment and Fixtures</u>	<u>Total</u>
Cost at June 30, 2008, as previously reported	\$ 4,261,780	\$ 1,886,900	\$ 22,382,280	\$ 974,012	\$ 29,504,972
Prior period adjustment	-	125,585	(1,125,290)	5,085	(994,620)
Cost at June 30, 2008, restated	4,261,780	2,012,485	21,256,990	979,097	28,510,352
Additions	-	919,448	486,085	169,510	1,575,043
Deletions	-	-	(873,569)	-	(873,569)
Cost at June 30, 2009	<u>\$ 4,261,780</u>	<u>\$ 2,931,933</u>	<u>\$ 20,869,506</u>	<u>\$ 1,148,607</u>	<u>\$ 29,211,826</u>
Accumulated depreciation at June 30, 2008	\$ -	\$ 1,749,309	\$ 11,205,411	\$ 823,418	\$ 13,778,138
Prior period adjustment	-	353	(33,134)	424	(32,357)
Accumulated depreciation at June 30, 2008, restated	-	1,749,662	11,172,277	823,842	13,745,781
Additions (* see below)	-	38,048	397,118	36,286	471,452
Deletions	-	-	-	-	-
Accumulated depreciation at June 30, 2009	<u>\$ -</u>	<u>\$ 1,787,710</u>	<u>\$ 11,569,395</u>	<u>\$ 860,128</u>	<u>\$ 14,217,233</u>
Capital assets, net of depreciation at June 30, 2009	<u>\$ 4,261,780</u>	<u>\$ 1,144,223</u>	<u>\$ 9,300,111</u>	<u>\$ 288,479</u>	<u>\$ 14,994,593</u>

\* Depreciation expense of \$471,452 for the year ended June 30, 2009 was charged to the following governmental functions:

Support Services:	
General Administrative Services	\$ 397,118
Plant Operation and Maintenance	24,778
Student Transportation Services	24,778
Food Service	24,778
	<u>\$ 471,452</u>

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**NOTES TO THE FINANCIAL STATEMENTS**

**9. LITIGATION AND CLAIMS**

The School Board is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, based on the opinion of the ultimate outcome of the Board's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the government.

**10. RECEIVABLES**

Receivables as of June 30, 2009 for the School Board are as follows:

	<u>General Fund</u>	<u>Capital Projects</u>	<u>EFID Sales Tax Fund</u>	<u>Non-Major Fund</u>	<u>Total</u>
<u>Receivables:</u>					
Sales taxes	\$ 426,186	\$ -	\$ 414,676	\$ -	\$ 840,862
Due from other governments	429,487	-	-	2,105,790	2,535,277
Other	300,913	1,706	-	-	302,619
Gross receivables	<u>\$ 1,156,586</u>	<u>\$ 1,706</u>	<u>\$ 414,676</u>	<u>\$ 2,105,790</u>	<u>\$ 3,678,758</u>

**11. INTERFUND TRANSACTIONS**

Interfund Receivable/Payable:

<u>Interfund Receivable</u>		<u>Interfund Payable</u>	
General	\$ 1,527,716	General	\$ -
Other Governmental	-	Other governmental	1,527,716
Total	<u>\$ 1,527,716</u>	Total	<u>\$ 1,527,716</u>

The primary purpose of interfund advances is to cover expenditures on cost reimbursement grant programs until reimbursements are received from the granting agencies.

Transfers:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 3,513,759	\$ 250,000
EFID Sales Tax	-	3,427,372
Technology	500,000	-
Capital Project	-	250,000
Other Governmental	-	86,387
	<u>\$ 4,013,759</u>	<u>\$ 4,013,759</u>

The purpose of interfund transfers is to cover operating expenditures of the general fund through indirect cost recoveries charged to grant programs.

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**NOTES TO THE FINANCIAL STATEMENTS**

**12. INSURANCE PROCEEDS FROM HURRICANE DAMAGE**

During September 2008, the West Baton Rouge Parish area was severely impacted by Hurricane Gustav causing power outages and significant damages to property of the School Board. An insurance claim was filed to reimburse the School Board for the cost of these repairs of \$853,487.

**13. PRIOR PERIOD ADJUSTMENTS**

The beginning equity amounts have been restated to reflect the retroactive recording of prior period adjustments to the June 30, 2009 balances as follows:

**Government-Wide Financial Statements**

Net assets at June 30, 2008, as previously stated	\$ 23,638,735
Accumulated depreciation adjustment	32,357
Property and equipment, cost	( 994,620)
Cash and deferred revenue	58,740
Net assets at June 30, 2008, as restated	<u>\$ 22,735,212</u>

**Fund Financial Statements**

	<u>General Fund</u>	<u>All Others</u>
Fund balance June 30, 2008, as previously stated	\$ 6,474,162	\$ 9,305,127
Cash and deferred revenue	( 33,583)	285,173
Fund balance June 30, 2008, as restated	<u>\$ 6,440,579</u>	<u>\$ 9,590,300</u>

**14. DEFICIT FUND BALANCES**

Deficit fund balances exist in the funds listed below. If additional revenues are not obtained from grantors or other external sources, then the general fund will ultimately absorb these deficits:

Title I	\$ 5,229
Special education	6,198
School Lunch	92,426
Head Start	22
Other grants	91,223
	<u>\$ 195,098</u>

**15. RECLASSIFICATION**

To conform with the current year presentation, a beginning fund balance in the General Fund of \$452,625 was reclassified to the Property Tax Fund.

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**MAJOR FUND DESCRIPTIONS**

**GENERAL FUND**

The General Fund is used to account for resources traditionally associated with the School Board which are not legally required or required by sound accounting practices to be accounted for in another fund.

**CAPITAL PROJECTS FUND**

The Contingency Fund accounts for financial resources to be used for the renovation of major capital facilities.

**PROPERTY TAX FUND**

This fund accounts for the 10 year, 12 mills property tax. The purpose of this tax is to give additional support to the public elementary and secondary schools in the district by providing funds for improving and maintaining salaries and benefits of teachers and other public school personnel employed by the School Board.

**EDUCATIONAL FACILITIES IMPROVEMENT DISTRICT FUND**

The Educational Facilities Improvement District (EFID) Special Revenue Fund accounts for the collection of a 1 percent sales and use tax; 45% of which is dedicated to salaries and 55% of which is available for general operations.



**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**Port Allen, Louisiana**

**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b><u>Revenues:</u></b>				
Local sources:				
Taxes:				
Ad valorem	\$ 5,680,000	\$ 5,680,000	\$ 5,240,931	\$ (439,069)
Sales and use	5,800,000	5,800,000	6,366,740	566,740
Earnings on investments	400,000	400,000	172,597	(227,403)
Other	99,000	99,000	27,188	(71,812)
State sources:				
Unrestricted grants-in-aid	14,031,977	14,031,977	13,845,220	(186,757)
Restricted grants-in-aid	204,500	204,500	578,946	374,446
Revenue sharing	113,000	113,000	111,504	(1,496)
Federal sources:				
Grants-in-aid - subgrants and other	-	-	592,653	592,653
Total revenues	<u>26,328,477</u>	<u>26,328,477</u>	<u>26,935,779</u>	<u>607,302</u>
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular education programs	11,342,562	11,342,562	11,246,039	96,523
Special education programs	3,950,717	3,950,717	3,778,361	172,356
Other education programs	1,813,525	1,813,525	2,201,125	(387,600)
Support services:				
Pupil support services	1,054,978	1,054,978	1,061,999	(7,021)
Instructional staff services	1,399,080	1,399,080	1,282,091	116,989
General administration services	1,147,245	1,147,245	1,493,394	(346,149)
School administration services	2,008,676	2,008,676	2,058,903	(50,227)
Business administration services	315,679	315,679	333,282	(17,603)
Plant operation and maintenance	3,071,142	3,071,142	4,649,088	(1,577,946)
Transportation	1,922,583	1,922,583	2,055,560	(132,977)
Food services	48,700	48,700	47,125	1,575
Central services	165,978	165,978	238,976	(72,998)
Community services	-	-	-	-
Capital Outlay				
Facilities acquisition and construction	187,000	187,000	576,972	(389,972)
Total expenditures	<u>28,427,865</u>	<u>28,427,865</u>	<u>31,022,915</u>	<u>(2,595,050)</u>
Excess (deficiency) of revenues over expenditures	\$ <u>(2,099,388)</u>	\$ <u>(2,099,388)</u>	\$ <u>(4,087,136)</u>	\$ <u>(1,987,748)</u>

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**Port Allen, Louisiana**

**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable) (continued)</u>
<b><u>Other financing sources (uses):</u></b>				
Insurance proceeds from hurricane damage	\$ -	\$ -	\$ 853,487	\$ 853,487
Other	2,000	2,000	-	(2,000)
Operating transfers in	3,214,000	3,214,000	3,513,759	299,759
Operating transfers out	<u>(466,498)</u>	<u>(466,498)</u>	<u>(250,000)</u>	<u>216,498</u>
Total other financing sources (uses)	<u>2,749,502</u>	<u>2,749,502</u>	<u>4,117,246</u>	<u>1,367,744</u>
Excess of revenues and other financing sources over expenditures and other financing sources (uses)	<u>650,114</u>	<u>650,114</u>	<u>30,110</u>	<u>(620,004)</u>
Fund balances, June 30, 2008, restated	<u>6,092,318</u>	<u>6,092,318</u>	<u>6,440,579</u>	<u>348,261</u>
FUND BALANCES, JUNE 30, 2009	<u>\$ 6,742,432</u>	<u>\$ 6,742,432</u>	<u>\$ 6,470,689</u>	<u>\$ (271,743)</u> (concluded)

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**Port Allen, Louisiana**

**CAPITAL PROJECTS FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b><u>Revenues:</u></b>				
Local sources:				
Earnings on investments	\$ 200,000	\$ 200,000	\$ 243,876	\$ 43,876
Other	100,000	100,000	184,688	84,688
Total revenues	<u>300,000</u>	<u>300,000</u>	<u>428,564</u>	<u>128,564</u>
<b><u>Expenditures:</u></b>				
Current:				
Unidentified Charges	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>300,000</u>	<u>300,000</u>	<u>428,564</u>	<u>128,564</u>
<b><u>Other financing sources (uses):</u></b>				
Operating transfers out	-	-	(250,000)	(250,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(250,000)</u>	<u>(250,000)</u>
Excess of revenues and other financing sources over expenditures and other financing sources (uses)	<u>300,000</u>	<u>300,000</u>	<u>178,564</u>	<u>(121,436)</u>
Fund balances, June 30, 2008, restated	<u>6,225,195</u>	<u>6,225,195</u>	<u>6,274,167</u>	<u>48,972</u>
FUND BALANCES, JUNE 30, 2009	<u>\$ 6,525,195</u>	<u>\$ 6,525,195</u>	<u>\$ 6,452,731</u>	<u>\$ (72,464)</u>

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**Port Allen, Louisiana**

**PROPERTY TAX FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b><u>Revenues:</u></b>				
Local sources:				
Taxes:				
Ad valorem	\$ 3,400,000	\$ 3,400,000	\$ 3,082,766	\$ (317,234)
Total revenues	<u>3,400,000</u>	<u>3,400,000</u>	<u>3,082,766</u>	<u>(317,234)</u>
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular education programs	1,276,825	1,276,825	1,271,919	4,906
Special education programs	469,050	469,050	507,599	(38,549)
Vocational education programs	53,100	53,100	-	53,100
Other education programs	262,550	262,550	507,251	(244,701)
Special and adult education programs	5,900	5,900	-	5,900
Support services:				
Pupil support services	129,800	129,800	132,639	(2,839)
Instructional staff services	120,950	120,950	127,179	(6,229)
General administration services	109,950	109,950	109,825	125
School administration services	153,400	153,400	153,501	(101)
Business administration services	14,750	14,750	19,015	(4,265)
Plant operation and maintenance	120,950	120,950	91,094	29,856
Transportation	38,350	38,350	47,729	(9,379)
Food services	-	-	111,912	(111,912)
Central services	5,900	5,900	3,078	2,822
Total expenditures	<u>2,761,475</u>	<u>2,761,475</u>	<u>3,082,741</u>	<u>(321,266)</u>
Excess (deficiency) of revenues over expenditures	<u>638,525</u>	<u>638,525</u>	<u>25</u>	<u>(638,500)</u>
Fund balances, June 30, 2008, restated	<u>345,549</u>	<u>345,549</u>	<u>452,625</u>	<u>107,076</u>
<b>FUND BALANCES, JUNE 30, 2009</b>	<b>\$ <u>984,074</u></b>	<b>\$ <u>984,074</u></b>	<b>\$ <u>452,650</u></b>	<b>\$ <u>(531,424)</u></b>

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**Port Allen, Louisiana**

**EFD SALES TAX FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b><u>Revenues:</u></b>				
Local sources:				
Taxes:				
Sales and use	\$ 5,680,000	\$ 5,680,000	\$ 6,231,585	\$ 551,585
Total revenues	<u>5,680,000</u>	<u>5,680,000</u>	<u>6,231,585</u>	<u>551,585</u>
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular education programs	1,208,700	1,208,700	1,008,677	199,023
Special education programs	389,252	389,252	389,920	(668)
Vocational education programs	52,976	52,976	-	52,976
Other education programs	201,848	201,848	255,036	(53,188)
Support services:				
Pupil support services	55,721	55,721	63,500	(7,779)
Instructional staff services	74,562	74,562	69,269	5,293
General administration services	154,178	154,178	108,249	45,929
School administration services	43,845	43,845	48,259	(4,414)
Business administration services	20,223	20,223	19,745	478
Plant operation and maintenance	112,373	112,373	112,389	(16)
Transportation	48,956	48,956	50,677	(1,721)
Food services	105,245	105,245	96,126	9,119
Central services	3,893	3,893	3,901	(8)
Total expenditures	<u>2,471,772</u>	<u>2,471,772</u>	<u>2,226,748</u>	<u>245,024</u>
Excess (deficiency) of revenues over expenditures	<u>3,208,228</u>	<u>3,208,228</u>	<u>4,004,837</u>	<u>796,609</u>
<b><u>Other financing sources (uses):</u></b>				
Operating transfers out	<u>(3,124,000)</u>	<u>(3,124,000)</u>	<u>(3,427,372)</u>	<u>(303,372)</u>
Total other financing sources (uses)	<u>(3,124,000)</u>	<u>(3,124,000)</u>	<u>(3,427,372)</u>	<u>(303,372)</u>
Excess of revenues and other financing sources over expenditures and other financing sources (uses)	<u>84,228</u>	<u>84,228</u>	<u>577,465</u>	<u>493,237</u>
Fund balances, June 30, 2008, restated	<u>1,453,224</u>	<u>1,453,224</u>	<u>1,577,051</u>	<u>123,827</u>
FUND BALANCES, JUNE 30, 2009	<u>\$ 1,537,452</u>	<u>\$ 1,537,452</u>	<u>\$ 2,154,516</u>	<u>\$ 617,064</u>

## **WEST BATON ROUGE PARISH SCHOOL BOARD**

### **NON-MAJOR FUND DESCRIPTIONS**

#### **TITLE I FUNDS**

The Title I fund accounts for the Title I grants. This is a program for economically and educationally deprived children which are federally financed, state-administered, and locally operated by the School Board. The Title I services are provided through various projects that are designed to meet the special needs of educationally deprived children. The activities supplement, rather than replace, state and locally mandated activities.

#### **READING FIRST FUND**

This fund accounts for a federal grant, the goal of which is to establish reading programs for students in kindergarten through third grade and provide teacher development to ensure teachers have the tools needed to effectively help students learn to read.

#### **SPECIAL EDUCATION FUNDS**

*Public Law 101-476* is a federally financed program providing free appropriate education for all identified handicapped children from 3 to 21 years of age in the least restrictive environment.

*Public Law 89-313* is a federally financed program providing "per child" funding that follows the child as he leaves his facility and enters public schools or day developmental training programs.

#### **SCHOOL LUNCH**

This fund includes lunch and breakfast operations and accounts for the financial activities of the food service program in the school system during the regular school term. The basic goals of this program are to serve nutritionally, attractive, and moderately priced meals, to help children grow both socially and emotionally, to extend educational influence to the home of school children, and to provide learning experiences that will improve children's food habits with the ultimate goal of physically fit adults.

#### **HEAD START**

The objectives of the Head Start Program are to provide comprehensive health, educational, nutritional, social and other services primarily to economically disadvantaged preschool children so that the children will attain overall social competence. Parents also participate in various decision-making processes related to the operation of the program.

#### **DEBT SERVICE FUND**

This fund accumulates funds for the payment of the 1999 refunding general obligation school improvement bonds.

#### **OTHER FUNDS**

Other funds consist of certain smaller programs funded through state grants and federal grants approved by the State Board of Elementary and Secondary Education and which are to be used for local initiatives.

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**NON-MAJOR FUND DESCRIPTIONS**

**AGENCY FUNDS**

**SCHOOL ACTIVITY AGENCY FUND**

The School Activity Agency Fund accounts for monies generated by the individual schools and school organizations. While these accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**Port Allen, Louisiana**

**COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS**

**JUNE 30, 2009**

	<u>Title I</u>	<u>Reading First</u>	<u>Special Education</u>
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 495	\$ 438	\$ 4,358
Receivables	312,829	79,707	247,142
Inventory	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 313,324</b>	<b>\$ 80,145</b>	<b>\$ 251,500</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
<b>Liabilities:</b>			
Accounts payable	\$ 306	\$ -	\$ 13,541
Salaries and benefits payable	83,420	22,645	42,657
Due to other funds	234,827	43,500	201,500
Deferred revenues	-	14,000	-
<b>TOTAL LIABILITIES</b>	<b>318,553</b>	<b>80,145</b>	<b>257,698</b>
<b>Fund balances:</b>			
Reserved for debt service	-	-	-
Unreserved, undesignated	(5,229)	-	(6,198)
<b>TOTAL FUND BALANCES</b>	<b>(5,229)</b>	<b>-</b>	<b>(6,198)</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 313,324</b>	<b>\$ 80,145</b>	<b>\$ 251,500</b>



**WEST BATON ROUGE PARISH SCHOOL BOARD**

**Port Allen, Louisiana**

**COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS**

**JUNE 30, 2009**

	<u>School Lunch</u>	<u>Head Start</u>	<u>Debt Service</u>	<u>Other Funds</u>	<u>Total</u>
<b><u>ASSETS</u></b>					
Cash and cash equivalents	\$ 46,120	\$ 547	\$ 1,691,289	\$ 1,068,623	\$ 2,811,870
Receivables	388	185,252	-	1,280,472	2,105,790
Inventory	21,095	-	-	-	21,095
<b>TOTAL ASSETS</b>	<b>\$ 67,603</b>	<b>\$ 185,799</b>	<b>\$ 1,691,289</b>	<b>\$ 2,349,095</b>	<b>\$ 4,938,755</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>					
Liabilities:					
Accounts payable	\$ 36,897	\$ 126	\$ -	\$ 236,905	\$ 287,775
Salaries and benefits payable	91,132	68,195	-	288,192	596,241
Due to other funds	32,000	117,500	-	898,389	1,527,716
Deferred revenues	-	-	-	22,208	36,208
<b>TOTAL LIABILITIES</b>	<b>160,029</b>	<b>185,821</b>	<b>-</b>	<b>1,445,694</b>	<b>2,447,940</b>
Fund balances:					
Reserved for debt service	-	-	1,691,289	-	1,691,289
Unreserved, undesignated	(92,426)	(22)	-	903,401	799,526
<b>TOTAL FUND BALANCES</b>	<b>(92,426)</b>	<b>(22)</b>	<b>1,691,289</b>	<b>903,401</b>	<b>2,490,815</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 67,603</b>	<b>\$ 185,799</b>	<b>\$ 1,691,289</b>	<b>\$ 2,349,095</b>	<b>\$ 4,938,755</b>

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**Port Allen, Louisiana**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR FUNDS**  
**FISCAL YEAR ENDED JUNE 30, 2009**

	Title I	Reading First	Special Education
<b><u>REVENUES</u></b>			
Local sources:			
Ad valorem taxes	\$ -	\$ -	\$ -
Earnings on investments	-	-	-
Food Services - paid meals	-	-	-
Other	-	-	-
State sources:			
Unrestricted grants-in-aid, MFP	-	-	-
Restricted grants-in-aid	-	-	-
Federal grants	970,925	320,008	809,516
<b>TOTAL REVENUES</b>	<b>970,925</b>	<b>320,008</b>	<b>809,516</b>
<b><u>EXPENDITURES</u></b>			
Current:			
Instruction:			
Regular education programs	-	-	-
Special education programs	-	-	452,805
Other education programs	840,027	310,923	-
Support:			
Pupil support services	-	-	274,584
Instructional staff services	98,965	-	54,835
General administration services	-	-	-
Student transportation	-	-	2,958
Food services	-	-	-
Facility acquisition and construction	-	-	-
Debt service - Principal	-	-	-
Debt service - Interest	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>938,992</b>	<b>310,923</b>	<b>785,182</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>31,933</b>	<b>9,085</b>	<b>24,334</b>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers in	-	-	-
Transfers out	(37,162)	(9,085)	(30,006)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(37,162)</b>	<b>(9,085)</b>	<b>(30,006)</b>
<b><u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES</u></b>	<b>(5,229)</b>	<b>-</b>	<b>(5,672)</b>
Fund balances, June 30, 2008, restated	-	-	(526)
<b>FUND BALANCES, JUNE 30, 2009</b>	<b>\$ (5,229)</b>	<b>-</b>	<b>\$ (6,198)</b>

**WEST BATON ROUGE PARISH SCHOOL BOARD****Port Allen, Louisiana****COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES****NON-MAJOR FUNDS****FISCAL YEAR ENDED JUNE 30, 2009**

	School Lunch	Head Start	Debt Service	Other Funds	Total
<b>REVENUES</b>					
Local sources:					
Ad valorem taxes	\$ -	\$ -	\$ 2,453,504	\$ -	\$ 2,453,504
Earnings on investments	-	-	14,391	-	14,391
Food Services - paid meals	350,607	-	-	-	350,607
Other	-	-	-	154,311	154,311
State sources:					
Unrestricted grants-in-aid, MFP	405,000	-	-	-	405,000
Restricted grants-in-aid	-	-	-	2,191,198	2,191,198
Federal grants	1,455,958	1,416,260	-	889,534	5,862,201
<b>TOTAL REVENUES</b>	<b>2,211,565</b>	<b>1,416,260</b>	<b>2,467,895</b>	<b>3,235,043</b>	<b>11,431,212</b>
<b>EXPENDITURES</b>					
Current:					
Instruction:					
Regular education programs	-	-	-	466,457	466,457
Special education programs	-	-	-	127,876	580,681
Other education programs	-	1,260,103	-	2,301,660	4,712,715
Support:					
Pupil support services	-	-	-	-	274,584
Instructional staff services	-	48,079	-	116,858	318,737
General administration services	-	-	85,650	-	85,650
Student transportation	-	-	-	13,496	16,454
Food services	2,210,246	-	-	-	2,210,246
Facility acquisition and construction	-	108,098	-	-	108,098
Debt service - Principal	-	-	1,545,000	-	1,545,000
Debt service - Interest	-	-	321,845	-	321,845
<b>TOTAL EXPENDITURES</b>	<b>2,210,246</b>	<b>1,416,282</b>	<b>1,952,495</b>	<b>3,026,347</b>	<b>10,640,467</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>1,319</b>	<b>(22)</b>	<b>515,400</b>	<b>208,696</b>	<b>790,745</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	500,000	500,000
Transfers out	-	-	-	(10,134)	(86,387)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>489,866</b>	<b>413,613</b>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>1,319</b>	<b>(22)</b>	<b>515,400</b>	<b>698,562</b>	<b>1,204,358</b>
Fund balances, June 30, 2008, restated	(93,745)	-	1,175,889	204,839	1,286,457
<b>FUND BALANCES, JUNE 30, 2009</b>	<b>\$ (92,426)</b>	<b>\$ (22)</b>	<b>\$ 1,691,289</b>	<b>\$ 903,401</b>	<b>\$ 2,490,815</b>

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**Port Allen, Louisiana**

**SCHEDULE OF BOARD MEMBERS' COMPENSATION**

**FOR THE YEAR ENDED JUNE 30, 2002**

C.A. Altazan, Jr.	\$ 9,600
George A. Chustz, Jr.	9,600
Cynthia M. Crochet	9,600
Cecile G. Geauthreaux	9,600
Leon N. Goudeau, Sr.	800
Ronald P. Leblanc	9,600
Jason P. Manola	9,600
Michael A. Maranto	9,600
Charles D. Morgan	5,600
Deloris W. Morgan	3,200
Paul C. Pattan, Sr.	9,600
Dr. Atley D. Walker, Sr.	9,600
	<hr/>
	\$ 96,000
	<hr/>

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Members of the West Baton Rouge  
Parish School Board  
Port Allen, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate non-major fund information of West Baton Rouge Parish School Board as of and for the year ended June 30, 2009, which collectively comprise the West Baton Rouge Parish School Board's basic financial statements and have issued our report thereon dated December 7, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether West Baton Rouge Parish School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed four instances of noncompliance or other matters that are required to be reported under *Governmental Auditing Standards* which are described as items 2009-1, 2009-2, 2009-3, and 2009-4 in the schedule of findings and questioned costs.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered West Baton Rouge Parish School Board's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the West Baton Rouge Parish School Board's internal control over financial reporting. Accordingly we do not express an opinion on the effectiveness of the West Baton Rouge Parish School Board's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the West Baton Rouge Parish School Board's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the West Baton Rouge Parish School Board's financial statements that is more than inconsequential will not be prevented or detected by the West Baton Rouge Parish School Board's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs, noted as items 2009-1, 2009-2, 2009-3, 2009-4, and 2009-5 to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the West Baton Rouge Parish School Board's internal control. Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses.

West Baton Rouge School Board's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit West Baton Rouge Parish School Board's responses and, accordingly, we express no opinion on them.

We have also communicated certain other matters regarding the internal controls over financial reporting in a separate letter dated December 7, 2009.

This report is intended for the information of the West Baton Rouge Parish School Board, management, and federal and state awarding agencies and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Postlethwaite + Netterville*

Baton Rouge, Louisiana  
December 7, 2009

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

The Members of the West Baton Rouge  
Parish School Board  
Port Allen, Louisiana

Compliance

We have audited the compliance of West Baton Rouge Parish School Board with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2009. West Baton Rouge Parish School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of West Baton Rouge Parish School Board's management. Our responsibility is to express an opinion on West Baton Rouge Parish School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about West Baton Rouge Parish School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on West Baton Rouge Parish School Board's compliance with those requirements.

In our opinion, the West Baton Rouge Parish School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2009-6, 2009-7, 2009-8, and 2009-9.

Internal Control over Compliance

The management of West Baton Rouge Parish School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered West Baton Rouge Parish School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the West Baton Rouge Parish School Board's internal control over compliance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with the type of compliance requirement a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is a more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2009-6, 2009-7, 2009-8, and 2009-9 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider the deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness.

West Baton Rouge Parish School Board's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit West Baton Rouge Parish School Board's responses and, accordingly, we express no opinion on them.

#### **Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining information of West Baton Rouge Parish School Board as of and for the year ended June 30, 2009, and has issued our report thereon dated December 7, 2009. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise West Baton Rouge School Board's basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by OMB Circular A-133 and is not required as a part of the basic financial statements. Such information has been subjected to auditing procedures applied in the audit of the basic financial statements and, in our opinion is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information and use of the West Baton Rouge School Board, management, and federal and state awarding agencies and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Postlethwaite & Nettenville*

Baton Rouge, Louisiana  
December 7, 2009



**WEST BATON ROUGE PARISH SCHOOL BOARD**

**Port Allen, Louisiana**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

<u>Federal Grants/ Pass-Through Grants/ Program Name</u>	<u>Grant Year</u>	<u>Grantor Project Number</u>	<u>CFDA Number</u>	<u>Expenditures 2009</u>
<b><u>UNITED STATES DEPARTMENT OF AGRICULTURE</u></b>				
Pass-through program from Louisiana Department of Agriculture and Forestry:				
Food Distribution - Commodities	08-09		10.550	\$ 131,627
Pass-through program from Louisiana Department of Education:				
School Lunch Program	08-09		10.555	977,051
School Breakfast Program	08-09		10.553	347,280
Summer feeding	08-09		10.559	50,896
				<u>1,506,854</u>
<b><u>UNITED STATES DEPARTMENT OF EDUCATION</u></b>				
Passed through Louisiana Department of Education:				
Title I Grants to Local Educational Agencies-Part A Basic	08-09		84.010A	970,925
Special Education Regular Project	08-09	H027A070033	84.027A	793,090
Special Education Regular Project Extended	07-08		84.027A	12,838
Vocational Education - Carl Perkins	08-09	28-08-02-39	84.048A	49,938
Special Education Preschool	08-09	H173A070082	84.173A	3,588
Title IV Safe and Drug Free Schools	08-09	Q186A070019	84.186A	16,798
Title V - Innovative Programs	08-09	S298A70018	84.298A	1,907
Classroom Based Technology	08-09		84.302A	292,668
Enhancing Education Through Technology	08-09	28-08-49-39	84.318X	132,530
Reading First	08-09	28-08-RF-39	84.357A	320,008
Title II Regular Project	08-09	S367A070017	84.367A	255,923
College Access Challenge Grant Program - 8G	08-09	N/A	84.378	226,501
				<u>3,076,714</u>
<b><u>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>				
Pass-through program from Louisiana Department of Education:				
Starting Points Preschool Program -TANF	08-09	28-08-OS-39	93.558B	45,799
Medicaid assistance program	08-09	N/A	93.778	107,469
Direct grant:				
Administration for Children, Youth, and Families - Head Start	08-09	06CH7052	93.600	1,416,260
				<u>1,569,528</u>
<b><u>UNITED STATES DEPARTMENT OF HOMELAND SECURITY</u></b>				
Pass-through the State of Louisiana Office of Emergency Preparedness:				
FEMA - Public Assistance Grants	08-09	N/A	97.036	352,654
Total Expenditures of Federal Awards				<u>\$ 6,505,750</u>

See the accompanying notes to the schedule of expenditures of federal awards

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

**NOTE A - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of West Baton Rouge Parish School Board and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE B - FOOD DISTRIBUTION**

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. During the year ended June 30, 2009, the School Board received commodities valued at \$131,627. At June 30, 2009, the organization had food commodities totaling \$21,905 in inventory.

**NOTE C - RECONCILIATION TO THE BASIC FINANCIAL STATEMENTS**

Reconciliation of the Schedule of Expenditures of Federal Awards (SEFA) to the Financial Statements

Total Federal Revenues	\$ 6,454,854
Child Nutrition Cluster - 2008 prepayment	<u>50,896</u>
Total Federal Expenditures - SEFA	<u>\$ 6,505,750</u>

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2009**

**A. Summary of Auditors' Results**

*Financial Statements*

Type of auditor's report issued: *Unqualified*

Internal Control over Financial Reporting:

- Material weakness (es) identified? ☐ yes ☒ no
- Significant deficiencies identified that are not considered to be material weaknesses? ☒ yes ☐ none reported

Noncompliance material to financial statements noted?

☐ yes ☒ no

*Federal Awards*

Internal control over major programs:

- Material weakness (es) identified? ☐ yes ☒ no
- Significant deficiencies identified that are not considered to be material weaknesses? ☒ yes ☐ none reported

Type of auditor's report issued on compliance for major programs: *Unqualified*

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?

☒ yes ☐ no

Identification of major programs:

CFDA Numbers

10.553, 10.555, 10.569

84.010A

84.027A

84.357A

93.600

97.036

Name of Federal Program or Cluster

Child Nutrition Cluster

Title I

Special Education (IDEA Part B)

Reading First

Head Start

FEMA - Public Assistance Grants

The threshold for distinguishing types A & B programs was program expenditures exceeding \$300,000.

The West Baton Rouge Parish School Board was not determined to be a low-risk auditee.

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2009**

**B. Findings – Financial Statement Audit**

**2009-1**

**School Activity Accounts**

Criteria: LSA RS 17:414.3 establishes the accounting rules and fiscal procedures for school activity accounts as well as the responsibility and authority for centralized oversight. One bank account is to be used for deposit and disbursement of all groups funding and an accounting of each group's receipts, disbursements and balances to be made. Each group's expenditures are to be made only with available funds of that group or activity. The Superintendent of the District or his designee is to review all accounts annually.

Condition: School activity accounts are reconciled at the school and the reconciliations are reviewed at the Central Office. However, the Central Office does not perform any internal audit function on the school activity accounts to determine if the schools are adhering to School Board policies.

Effect: The School Board is not providing the proper oversight of the school activity accounts. The lack of adequate oversight provides the opportunity for the misappropriation of cash and the funds designated for a particular club to be expended by another group.

Recommendation: With regard to its oversight of the accounts, the School Board should enhance its oversight of these accounts through on-site audits, including transactional testing and detailed review of club\group account balances.

*Management's*

*Response:* *The School board plans to hire a CPA firm to provide on-site audits of the school activity accounts during the 2009-2010 school year.*

**2009-2**

**Records of Property, Plant, and Equipment**

Criteria: LSA - RS 24:515 requires local governments to maintain adequate records of property, plant, and equipment, which reflect assets acquired and disposed of and the cost of those items.

Condition: The School Board does maintain records of property and equipment. However, a physical inventory has not been conducted.

Effect: The property and equipment records may be incomplete and inaccurate. Additionally, unauthorized use of the property may not be detected.

Recommendation: To ensure accurate financial reporting as well as to detect potential unauthorized use of School Board property, comprehensive physical inventories should be conducted bi-annually.

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2009**

**2009-2**

**Records of Property, Plant, and Equipment (continued)**

*Management's*

*Response:* The School Board Administration is currently up-dating its fixed assets procedures and will implement a bi-annual inventory plan as per auditor's request beginning with the summer of 2010.

**2009-3**

**Public Bid Law**

Criteria: LSA - RS 38:2212.1 requires the advertisement and letting of lowest responsible bidder for the purchase of materials and supplies in excess of \$20,000 paid out of public funds.

Condition: The School Board purchased janitorial supplies without submitting this purchase to the bid process when similar products were available. Also, there was a purchase of playground equipment and the purchase of supplies related to the Head Start federal program in which the bid process was not followed.

Questioned Costs: \$120,430 (General Fund) and \$141,339 (Head Start Fund)

Effect: The School Board is out of compliance with the statute referenced to above. As a result, the School Board may not be receiving the lowest price for its goods and services.

Recommendation: All purchases in excess of stipulated purchase limits should be bid in accordance with the above statute.

*Management's*

*Response:* The current Supervisor of Business Services became aware of violations of the bid law shortly after taking office. Since then, the School Board has made every effort to adhere to LSA - RS 38:212.1 for all materials and supplies purchases in excess of \$20,000.

**2009-4**

**Budget Law Violation**

Criteria: LSA - RS 39.1310 requires governments to amend general and special revenue budgets when actual expenditures plus expected expenditures exceed budgeted amounts by 5% or more or when actual revenues plus expected revenues will fall short of budgeted amounts by 5% or more.

Condition: The actual expenditures of the General Fund and the Property Tax Fund exceeded budget amounts by 9.2% and 11.6%, respectively. Also, the Property Tax Fund has actual revenues that have fallen short of budgeted amounts by 9.3%.

Effect: The School Board is out of compliance with the statute referenced to above.

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2009**

**2009-4**

**Budget Law Violation (continued)**

**Recommendation:** The Superintendent, Supervisor of Business Services, and the School Board should monitor the budget closely throughout the year and prepare and approve amendments to the budget as required by statute.

**Management's  
Response:**

*The School Board will prepare and pre-audit all proposed budgets, General Fund and Special Revenue Funds, and approved budget amendments to ensure that accurate reporting of funds indicated as prescribed by law.*

**2009-5**

**Information Technology**

**Criteria:** Physical security and access to programs and data are appropriately controlled to prevent unauthorized use, disclosure, modification, damage, or loss of data.

**Condition:** Remote sensitive login information is contained in the Disaster Recovery document. Remote "root" logins are enabled for information systems residing on the internet. There currently is readily available access to sensitive information technology infrastructure and server equipment. There are currently user accounts for former employees or other personnel no longer employed by the School Board.

**Effect:** The School Board does not have adequate controls over its information technology.

**Recommendation:** The School Board should consider changing the passwords contained in the Disaster Recovery document and limit the passwords to key information technology personnel. The use of remote "root" logins should be disabled. The School Board should consider using controls such as traditional tumbler locks, key card access, or numeric access pads to limit access to housed information technology infrastructure and server equipment. Accounts for terminated employees should be disabled as soon as possible.

**Management's  
Response:**

*The School Board will implement the above recommendation as prescribed above. Also, the information technology personnel is currently exploring installing a numeric access pad to limit physical access to information technology equipment.*

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2009**

**C. Findings and Questioned Costs – Major Federal Award Programs**

<u>10,553,555.559</u>	<u>Child Nutrition Cluster</u>
<u>84.010</u>	<u>Title I</u>
<u>84.027</u>	<u>Special Education (IDEA Part B)</u>
<u>84.357</u>	<u>Reading First</u>
<u>93.600</u>	<u>Head Start</u>
<u>97.036</u>	<u>FEMA – Public Assistance Grants</u>

<u>2009-6</u>	<u>Suspension and Debarment</u>
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Criteria: Under the compliance provisions of OMB Circular A-133 Compliance Supplement, as amended, an entity is prohibited from contracting with vendors that are suspended or debarred from conducting business with federal award programs. Under these provisions, an entity must certify that a vendor is not suspended or debarred under transactions that are expected to equal or exceed \$25,000. This verification may be accomplished by checking the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA), which can be accessed on the Internet (<http://epls.arinet.gov>).

Condition: The School Board has not implemented procedures to document whether it has verified the suspension and debarment status of its vendors in accordance with federal regulations.

Questioned Costs: N/A

Effect: The School Board is in violation of the requirements of the OMB Circular A-133 Compliance Supplement, as amended.

Recommendation: Procedures should be implemented to document compliance with the suspension and debarment provisions of the OMB Circular A-133 Compliance Supplement, as amended.

*Management's Response:* *The School Board has implemented procedures to check the applicable internet website for all new vendors beginning March 2009. Also, the business services department is in the process of reviewing old vendors to determine whether they are suspended or debarred.*

<u>93.600</u>	<u>Head Start</u>
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<u>2009-7</u>	<u>Procurement</u>
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See 2009-3 regarding public bid law compliance.

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2009**

**10.553.555.559**

**Child Nutrition Cluster**

**2009-8**

**Allowable Costs**

Criteria: OMB Circular A-87 general criteria indicates that costs charged to the federal programs should be allocable to those programs, that is, each program should bear its fair share of all costs. Costs charged to grants should be reviewed and scrutinized for compliance with the circular.

Condition: In our sample of 25 disbursements charged to the program, 15 items contained no documentation of approval by the program director or management.

Questioned Cost: \$25,488

Effect: The School Board may have charged unallowable costs to the program.

Recommendation: The School Board should implement procedures to ensure that the approval of Child Nutrition Cluster expenditures charged to the program is documented by the program director or management.

***Management's***

***Response:***

*The School Board concurs with the above recommendation and will initiate policies and procedures to ensure documentation of the review of costs charged to the program by the program director or management.*

**84.010**

**Title I**

**2009-9**

**Allowable Costs – Personnel Compensation**

Criteria: According to OMB Circular A-87, where employees are expected to work solely on a single federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. Said certifications must be signed by the employee or his/her supervisor.

Additionally, where employees are expected to work on multi-functions or programs, charges made to grant programs must be supported by personnel activity reports reflecting the actual time and effort expended.

Condition: In our sample of 25 payroll charges to the program, one individual did not have an appropriately completed signed certification for January 2009 to end of the fiscal year. The payroll costs related to the employee charged to the program for this time period are not considered allowable.

Questioned Cost: \$11,793



**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2009**

**2009-9**

**Allowable Costs – Personnel Compensation** (continued)

**Effect:** The School Board charged unallowable costs to the programs.

**Recommendation:** The required certifications on employees working solely for federal programs should be signed by the program supervisors on a semi-annual basis as required by OMB Circular A-87.

***Management's***

***Response:*** *The individual completed the signed certification but did not designate the applicable time period for the certification. The School Board considers this an isolated incident but will initiate procedures to ensure that semi-annual certifications are completed accurately going forward.*

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**2008-1**

**Reconciliation of Bank Statements to the General Ledger**

**Criteria:** To ensure accurate financial reporting and to provide a process for detection of improper cash activity, bank reconciliations should be performed monthly for each bank/brokerage account.

**Condition:** The four bank accounts of the School Board were not reconciled on a monthly basis to the general ledger.

**Effect:** Absent the process of reconciliation on a regular basis, financial reports may be inaccurate and the monitoring of cash activity does not occur. Most of the potential problems within the area of cash can be avoided if a proper system of checks and balances is incorporated into the School Board's internal control procedures. This finding is considered a material weakness in internal controls.

**Recommendation:** The four bank accounts should be reconciled to the general ledger on a monthly basis and all unusual reconciling items should be promptly investigated and resolved with adequate explanations.

***Management's***

***Response:***

We concur with the finding and recommendation. The employee assigned to this task did not perform this task adequately nor timely, and; she is no longer employed by the School Board. The School Board is in the process of hiring a CPA firm for accounting services to assist us with getting caught up, developing procedures, and training employees to ensure timely and accurate bank reconciliations.

**Current Status:** *The School Board has hired a CPA firm for accounting services and is now performing the bank reconciliations on a monthly basis. This finding is considered resolved.*

**2008-2**

**School Activity Accounts**

**Criteria:** La RS 17:414.3 establishes the accounting rules and fiscal procedures for school activity accounts as well as the responsibility and authority for centralized oversight. One bank account is to be used for deposit and disbursement of all groups funding and an accounting of each group's receipts, disbursements and balances to be made. Each group's expenditures are to be made only with available funds of that group or activity. The Superintendent of the District or his designee is to review all accounts annually.

**Condition:** School activity accounts are reconciled at the school but the reconciliations are not reviewed by anyone at the Central Office. Also, the Central Office does not perform any internal audit function on the school activity accounts to determine if the schools are adhering to School Board policies.

**Effect:** The School Board is not providing the proper oversight of the school activity accounts. The lack of adequate oversight provides the opportunity for the misappropriation of cash and the funds designated for a particular club to be expended by another group. This finding is considered a material weakness in internal controls.

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**2008-2**

**School Activity Accounts** (continued)

**Recommendation:** The Central Office should review the school activity account reconciliations prepared by each school on a monthly basis. With regard to its oversight of the accounts, the School Board should enhance its oversight of these accounts through on-site audits, including transactional testing and detailed review of club\group account balances.

**Management's**

**Response:**

We concur with the finding and recommendation. This issue was identified by the new Supervisor of Business Services in the fall of 2006. In the May of 2007, a new position was created and filled by the School Board, Assistant Supervisor of Business Services. During the audit year, a School Activity Funds Manual was adopted by the School Board. The Assistant's duties included internal audit and oversight of school accounts. These duties were not performed, and; that employee has been terminated.

A new Assistant has been hired, we are committed to ensuring the implementation of our adopted policies and the completion of internal audit procedures and reports prior to the end of fiscal year 08/09.

**Current Status:** *The School Board has hired a CPA firm for accounting services and is now reviewing the school accounts reconciliations. However, the on-site audits are not being performed and this is included in the current year's schedule of findings and questioned costs.*

**2008-3**

**Records of Property, Plant, and Equipment**

**Criteria:** LSA - RS 24:515 requires local governments to maintain adequate records of property, plant, and equipment, which reflect assets acquired and disposed of and the cost of those items.

**Condition:** The School Board's property and equipment records are not current. An independent property, plant, and equipment appraiser was hired during the year to appraise the value of property due to the School Board's lack of current records. Additionally, a bi-annual inventory of fixed assets was not performed.

**Effect:** Significant adjustments were recorded during our audit procedures causing a material restatement of 2007 reported property, plant, and equipment balances. Without a bi-annual inventory, unauthorized use of the property may not be detected. This is considered a material weakness in internal controls.

**Recommendation:** Fixed assets should be recorded at invoiced cost. Additions to the records should be periodically reconciled to expenditure accounts to ensure agreement. Additionally, to ensure accurate financial reporting as well as to detect potential unauthorized use of School Board property, comprehensive physical inventories should be conducted bi-annually.

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**2008-3**      **Records of Property, Plant, and Equipment (continued)**

*Management's*

*Response:*      We concur with the finding and recommendation. A Capital Asset Manual including a capitalization policy was adopted by the School Board since our prior year audit. Our Assistant Supervisor of Business Services was in-charge of implementing these policies and procedures which do address all aspects of this finding. Those duties were not performed, and; that employee has been terminated.

*Current Status:*      *Fixed assets additions are now being recorded at invoiced cost. However, there was no inventory of property and equipment during the year. The finding is considered partially resolved, but the lack of inventory has been included in the current year's schedule of findings and questioned costs.*

**2008-4**      **Accounting for Grant Programs**

*Criteria:*      Each grant area is keeping their own set of accounting records on a different accounting system other than the general ledger system.

*Condition:*      The separate accounting records are not reconciled to the general ledger on a timely basis. Also, the separate accounting books are used to request reimbursement for grant program expenditures.

*Effect:*      By having two separate accounting systems to record grant funding, there is potential for material understatement or overstatement of grant expenditures. This could result in the School Board not being in compliance with grant reporting requirements.

*Recommendation:*      Only the general ledger system should be used to account for the recording of transactions associated with grant programs. Also, the general ledger should be used to prepare reimbursement requests.

*Management's*

*Response:*      We concur with the finding, in part, and the recommendation. The former Business Manager had encouraged and allowed the use of accounting records for grants outside of the official accounting records for several years. Those records are maintained by employees outside the Business Office. Upon the hiring of a new Supervisor of Business Services, it was noted that adequate reconciliation procedures between these grant records to the accounting system did not exist. Reconciliation procedures were put in place, and some, not all, of the employees managing grants have implemented them and are reconciling prior to making reimbursement requests. We recognize the risk of noncompliance and will implement additional policies and procedures that will be adhered to in the future. The implementation of a new accounting system in the new future that will be used as our only source of financial data will ensure resolution of this finding.

To assist us with ensuring proper grant accounting, the School Board has recently approved a new position within the Business Office to coordinate and oversee all financial related grant procedures. We are in the process of filling the position.

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**2008-4**                      **Accounting for Grant Programs (continued)**

*Current Status:*            *The general ledger system is now used to account for the recording of transactions associated with grant programs. Separate accounting records maintained by grant administrators are reconciled to the general ledger. This finding is considered resolved.*

**2008-5**                      **Internal Control over Financial Reporting**

*Criteria:*                    *Internal controls over financial reporting consist of policies and procedures that pertain to an entity's ability to initiate, record, process, and report financial data consistent with the assertions embodied in the annual financial statements, which for the School Board and in accordance with generally accepted accounting principles (GAAP). Best practices in internal control call for timely reconciliation of subsidiary ledgers to the general ledger.*

*Condition:*                *General Ledger account reconciliations for significant accounts or transaction classes were not performed in a timely manner.*

*Effect:*                     *During the course of our audit procedures, we identified several significant adjusting entries that were necessary in order for the financial statements to be presented in accordance with GAAP. Due to the significance of the financial statement adjustments, it is evident that the internal control over financial reporting has material weaknesses and the School Board is not receiving reliable internally generated financial statements.*

*Cause:*                     *Clear responsibility for the performance of these reconciliations was not designated to a particular individual.*

*Recommendation:* *All significant general ledger accounts should be reconciled in a timely manner and reviewed by management. This review should be documented.*

***Management's***

*Response:*                *We concur with the finding and recommendation. Two of the five employees within the Business Office have left our employ within the last six months. Work not performed by these individuals had an overall negative impact on the Business Office to operate as it should. Actions already taken to resolve this finding include replacing these individuals with competent, new employees. Also, because our district has grown tremendously over the last few years, we are also in the process of adding a new position to the Business Office to address our financial responsibilities over grants. Additionally, we are in the process of replacing our accounting system to obtain a more user-friendly, efficient system.*

*Current Status:*            *The general ledger account reconciliations for significant accounts were reconciled timely and were reviewed by the Supervisor of Business Services. This finding is considered resolved.*

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**2008-6**

**General Ledger Closing Procedures**

Criteria: Proper closing procedures should be implemented to ensure the general ledger is timely closed at year end.

Condition: The general ledger was not closed until December 2008.

Effect: Significant adjustments were made well after year end to reconcile the general ledger to supporting schedules. This is considered a material weakness in internal controls.

Recommendation: The School Board should implement procedures to ensure the general ledger is closed properly and timely at year end.

***Management's  
Response:***

We concur with the finding and recommendation. The Assistant Supervisor of Business Services was responsible for ensuring that all reconciling items for each grant administered by the School Board were identified so that all journal entries could be made to ensure accurate financial reporting. She was terminated for not performing this duty, placing this responsibility on the Business Manager. This delayed the closing of our general ledger at year end. A new Assistant has been hired, and, we are in the process of hiring for a new grants administrative position to ensure this finding is resolved.

***Current status:*** *The general ledger was closed in October 2009 and was properly reconciled to the supporting schedules. This finding is considered resolved.*

**10,553,555,559**

**Child Nutrition Cluster**

**84,010**

**Title I**

**93,600**

**Head Start**

**2008-7**

**Suspension and Debarment**

Criteria: Under the compliance provisions of OMB Circular A-133 Compliance Supplement, as amended, an entity is prohibited from contracting with vendors that are suspended or debarred from conducting business with federal award programs. Under these provisions, an entity must certify that a vendor is not suspended or debarred under transactions that are expected to equal or exceed \$25,000. This verification may be accomplished by checking the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA), which can be accessed on the Internet (<http://epls.arnet.gov>).

Condition: The School Board has not implemented procedures to document whether it has verified the suspension and debarment status of its vendors in accordance with federal regulations.

Questioned Costs: N/A

Effect: The School Board is in violation of the requirements of the OMB Circular A-133 Compliance Supplement, as amended.

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**2008-7**

**Suspension and Debarment (continued)**

**Recommendation:** Procedures should be implemented to document compliance with the suspension and debarment provisions of the OMB Circular A-133 Compliance Supplement, as amended.

***Management's***

***Response:***

We concur with the finding and recommendation. The Child Nutrition Cluster does have a procedure in place whereby the vendor does complete a certification regarding Suspension and Debarment as a part of the bid process. And, we checked the GSA website and note no to verify this compliance provision for all applicable transactions. We will develop and implement procedures immediately to resolve this finding.

***Current status:***

*The School Board has implemented procedures to ensure compliance with the suspension and debarment provisions. However, the procedure was not implemented until the latter part of the fiscal year. Therefore, this finding is not considered resolved and is repeated in the current year's schedule of findings and questioned costs.*

**10,553,555,559**

**Child Nutrition Cluster**

**2008-8**

**Equipment and Real Property Management**

**Criteria:** Equipment and real property purchased from federal funds by local government in an amount equal to or exceeding the local government's capitalization policy must be capitalized in the accounting records and identified as having been purchased by the applicable federal program.

**Condition:** The School Board's capital assets records do not contain food service equipment purchased by the program in 2008.

**Questioned Cost:** An equipment purchase of \$5,085 was not included in the property controls listing.

**Effect:** The School Board may not have sufficient processes to ensure that all assets purchased from federal programs are added to the property control records. This condition could lead to use of the assets other than that which was intended by the grant; furthermore could result in failure to reimburse the grant program should the asset be sold.

**Recommendation:** The process for recording property and equipment should be enhanced by ensuring that all assets purchased with federal funds are included.

*Such enhancements might include reconciliation of the equipment line-items on the grant budgets to the property and equipment records or review of property and equipment records by program supervisors.*

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**2008-8**

**Equipment and Real Property Management (continued)**

***Management's***

***Response:***

We concur with the finding and recommendation. A Capital Asset Manual including a capitalization policy was adopted by the School Board since our prior year audit. Our Assistant Supervisor of Business Services was in-charge of implementing these policies and procedures which do address all aspects of this finding. Those duties were not performed, and; that employee has been terminated.

A new Assistant has been hired, and we are committed to ensuring the implementation of our adopted policies and procedures prior to the end of fiscal year 08/09. Also, the School Board is in the process of hiring a CPA firm for accounting services to assist us with this task.

***Current status:***

*The School Board has implemented procedures to ensure that all assets purchased from federal programs are included in the property control records. This finding is considered resolved.*

**10.553,555,559**

**Child Nutrition Cluster**

**2008-9**

**Allowable Costs**

**Criteria:**

OMB Circular A-87 general criteria indicates that costs charged to the federal programs should be allocable to those programs, that is, each program should bear its fair share of all costs.

**Condition:**

In our sample of 25 payroll charges to the program, one item contained no records of employment for an individual selected. The School system has this individual listed as a substitute in the payroll system.

**Questioned Cost:**

**\$7,074**

**Effect:**

The School Board charged unallowable costs to the programs.

**Recommendation:**

The School Board should be diligent in acquiring and maintaining employee files for full time workers and substitutes.

***Management's***

***Response:***

We concur with the finding and recommendation. The employee in question has been a substitute employee for several years. We have not been able to locate her file. We believe this is an isolated incident, however; we will make a new file for her and implement procedures to ensure the security of our files.

***Current status:***

*The personnel files requested during the audit were made available and presented in an appropriate time frame. This finding is considered resolved.*



**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**84.010**

**Title I**

**2008-10**

**Reporting**

**Criteria:** School districts in Louisiana receiving federal funds passed through the Louisiana Department of Education (LDOE) must report annual expenditures which portray compliance with the maintenance of fiscal effort requirements set forth in the program regulations. The amounts reported to the state should be derived from the finalized books and records.

**Condition:** The amounts reported to the State did not agree to the final audited financial statements.

**Questioned Cost:** None

**Effect:** It is noted that the school district appears to have complied with the maintenance of effort requirements when compliance is measured using final audited financial statements. However, use of non-final audited data could result in a false computation of compliance.

**Recommendation:** The School Board should prepare computation using final audited financial data.

**Management's**

**Response:** We concur with the finding and recommendation. Again, we recognize the importance of fully implementing office-wide reconciliation procedures that must be adhered to. We will ensure the use of final audited financial data in the future.

**Current status:** *The amounts reported to the State during the current year agreed to the final audited financial statements. Therefore, this finding is considered resolved.*

**2008-11**

**All Grant Programs**

See 2008-4

**Independent Accountants' Report  
On Applying Agreed-Upon Procedures**

To the Members of the West Baton Rouge Parish School Board

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of West Baton Rouge Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of West Baton Rouge Parish School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

**General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)**

**Procedure #1:**

We selected a random sample of 80 transactions (40 payroll and 40 accounts payable) and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts among each of the following amounts reported on the schedule:

- Total General Fund Instructional Expenditures,
- Total General Fund Equipment Expenditures,
- Total Local Taxation Revenue,
- Total Local Earnings on Investment in Real Property,
- Total State Revenue in Lieu of Taxes,
- Nonpublic Textbook Revenue, and
- Nonpublic Transportation Revenue.

Results of Procedure # 1:

In performing the testing on the sample of expenditures/revenues, we noted no transactions that were inappropriately classified or recorded at the incorrect amount.

Education Levels of Public School Staff (Schedule 2)

Procedure # 2

We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule.

Results of Procedure # 2:

No differences were noted between the number of full-time classroom teachers per schedule 4 and schedule 2.

Procedure # 3

We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.

Results of Procedure # 3

No differences were noted between the number of principals and assistant principals per schedule 4 and schedule 2.

Procedure # 4

We obtained a list of full-time teachers, principals, and assistant principals by classification as of June 30<sup>th</sup> and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file to determine if the individual's education level was properly classified on the schedule.

Results of Procedure # 4:

In our sample of 25 employees, we noted that one employee was listed as a teacher instead of an assistant principal. No other discrepancies between education levels per the listing and the individuals' personnel files were noted.

Number and Type of Public Schools (Schedule 3)

Procedure # 5

We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels listed on the Louisiana Public Schools report on the Louisiana Department of Education website.

Results of Procedure # 5:

We noted no discrepancies between the total number of schools as listed on the Louisiana Public Schools report on the Louisiana Department of Education website and the list supporting the schools represented in the schedule.

Experience of Public Principals and Full-time Classroom Teachers (Schedule 4)

Procedure #6

We obtained a list of full-time teachers, principals, and assistant principals by classification as of June 30th and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file to determine if the individual's experience was properly classified on the schedule.

Results of Procedure # 6:

In our sample of 25 employees, we noted that 4 of the employees' years of experience per the teacher listing did not match to the employees records kept at the School Board. We also noted that one employee was listed as a teacher instead of an assistant principal. No other discrepancies between experience levels per the listing and the individual personnel files were noted.

Public Staff Data (Schedule 5)

Procedure # 7

We obtained a list of all classroom teachers including their base salary, extra compensation, as well as full-time equivalency as reported on the schedule and traced a random sample of 25 teachers to the individuals' personnel file to determine if the individuals' salary, extra compensation, and full-time equivalency were properly included on the schedule. The School Board reported no ROTC or rehired retiree's.

Results of Procedure # 7:

In our sample of 25 employees we noted no instances where employees' salaries were improperly included. The amount included in the calculations of the average does equal the amount actually paid.

Procedure # 8

We recalculated the average salaries and full-time equivalents reported in the schedule.

Results of Procedure # 8:

We noted no differences between the averages reported on the schedule and our calculations.

**Class Size Characteristics (Schedule 6)****Procedure # 9**

We obtained a detailed list of classes that supports the numbers reported in schedule 6. From the detailed listing P&N selected 10 classes and compared the count to roll books.

**Results of Procedure # 9**

In our sample of 10 classes, P&N noted 7 out of 10 classes with discrepancies as follows:

<u>Class Size</u> <u>Test Items</u>	<u>No. of Students</u> <u>per Schedule 6</u>	<u>No. of Students</u> <u>per Roll Book</u>
1	24	22
4	14	15
5	22	20
6	21	22
7	16	15
8	30	27
9	17	19

Of the above noted discrepancies, only test item 5 would have resulted in a category change on Schedule 6.

**Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 7)****Procedure # 10**

We obtained test scores as provided by the testing authority for 2009 and reconciled scores as reported by the testing authority to scores reported in the schedule by the West Baton Rouge Parish School Board.

**Results of Procedure # 10:**

No differences were noted.

**The Graduation Exit Exam for the 21st Century (Schedule 8)****Procedure # 11**

We obtained test scores as provided by the testing authority for 2009 and reconciled scores as reported by the testing authority to scores reported in the schedule by the West Baton Rouge School Board.

**Results of Procedure #11**

No differences were noted.

**The iLEAP Tests (Schedule 9)****Procedure # 12**

We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the West Baton Rouge Parish School Board.

**Results of Procedure # 12**

No differences were noted.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of West Baton Rouge Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Postlethwaite + Netterville*

Baton Rouge, Louisiana

December 7, 2009

**WEST BATON ROUGE PARISH SCHOOL BOARD**  
**PORT ALLEN, LOUISIANA**

**Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)**

**As of and for the Year Ended June 30, 2009**

**Schedule 1 - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources**

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

**Schedule 2 - Education Levels of Public School Staff**

This schedule includes the certificated and uncertificated number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principal's with less than a Bachelor's; Master's; Master's +30; Specialist in Education; and Ph. D or Ed. D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

**Schedule 3 - Number and Type of Public Schools**

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial Statistical Report (AFSR).

**Schedule 4 - Experience of Public Teachers and Full-time Classroom Teachers**

This schedule includes the number of years of experience in teaching for assistant principals, principals, and full-time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

**Schedule 5 - Public School Staff Data**

This schedule includes average classroom teachers salary using full-time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

**Schedule 6 - Class Size Characteristics**

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the legislature in the Annual School Report (ASR).

#### **Schedule 7 - Louisiana Educational Assessment Program (LEAP)**

This schedule represents student performance testing data and includes summary scores by district for grades 4 and 8 in each category tested. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

#### **Schedule 8 - The Graduation Exit Exam**

This schedule represents student performance testing data and includes summary scores by district for grades 10 and 11 in each category tested. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

#### **Schedule 9 - The IOWA and i-LEAP Tests**

This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, 7 and 9 for each district. The summary score for the IOWA tests reported is the National Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. This schedule includes two years of data.

The i-LEAP has replaced the IOWA test for student performance testing data and includes summary scores by district for grades 3,5,6,7, and 9 in each category tested. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. This schedule includes two years of data.



**WEST BATON ROUGE PARISH SCHOOL BOARD**

**PERFORMANCE AND STATISTICAL DATA**

**West Baton Rouge Parish School Board**  
**Port Allen, Louisiana**

**Schedule 1**

**General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2009**

**General Fund Instructional and Equipment Expenditures**

**General Fund Instructional Expenditures:**

**Teacher and Student Interaction Activities:**

Classroom Teacher Salaries	\$14,100,707	
Other Instructional Staff Activities	1,970,272	
Employee Benefits	5,049,764	
Purchased Professional and Technical Services	354,196	
Instructional Materials and Supplies	1,304,350	
Instructional Equipment	31,039	
Total Teacher and Student Interaction Activities		\$ 22,810,328

Other Instructional Activities 146,216

Pupil Support Activities	1,389,773	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities		1,389,773

Instructional Staff Services	1,390,911	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services		1,390,911

Total General Fund Instructional Expenditures \$ 25,737,228

Total General Fund Equipment Expenditures \$31,039

**Certain Local Revenue Sources**

**Local Taxation Revenue:**

Constitutional Ad Valorem Taxes	\$1,128,616	
Renewable Ad Valorem Tax	6,933,338	
Debt Service Ad Valorem Tax	2,453,504	
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	261,743	
Sales and Use Taxes	12,598,325	
Total Local Taxation Revenue		\$ 23,375,526

**Local Earnings on Investment in Real Property:**

Earnings from 16th Section Property	\$204,688	
Earnings from Other Real Property	-	
Total Local Earnings on Investment in Real Property		\$204,688

**State Revenue in Lieu of Taxes:**

Revenue Sharing - Constitutional Tax	\$46,571	
Revenue Sharing - Other Taxes	64,933	
Revenue Sharing - Excess Portion	-	
Other Revenue in Lieu of Taxes	-	
Total State Revenue in Lieu of Taxes		\$111,504

Nonpublic Textbook Revenue \$12,793

Nonpublic Transportation Revenue 120,711

Total State Revenue for Non-public Education \$133,504

WEST BATON ROUGE PARISH SCHOOL BOARD  
PORT ALLEN, LOUISIANA

Schedule 2

Education Levels of Public School Staff

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Bachelor's Degree	196	74.8%	12	92.3%	-	0.0%	-	0.0%
Master's Degree	52	19.8%	1	7.7%	12	66.7%	-	0.0%
Master's Degree + 30	12	4.6%	-	0.0%	4	22.1%	-	0.0%
Specialist in Education	1	0.4%	-	0.0%	1	5.6%	-	0.0%
Ph. D. or Ed. D.	1	0.4%	-	0.0%	1	5.6%	-	0.0%
Total	262	100.0%	13	100.0%	18	100.0%	0	0.0%

**WEST BATON ROUGE PARISH SCHOOL BOARD  
PORT ALLEN, LOUISIANA**

**Schedule 3**

**Number and Type of Public Schools  
For the Year Ended June 30, 2009**

Type	Number
Elementary	5
Middle/Jr. High	3
Secondary	2
Combination	
Total	10

WEST BATON ROUGE PARISH SCHOOL BOARD  
PORT ALLEN, LOUISIANA

Schedule 4

Experience of Public Principals and Full-time Classroom Teachers

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	2	0	4	1	2	9
Principals	0	0	2	1	3	2	1	9
Classroom Teachers	35	43	86	25	30	21	35	275
Total	35	43	90	26	37	24	38	293

**WEST BATON ROUGE PARISH SCHOOL BOARD  
PORT ALLEN, LOUISIANA**

**Schedule 5  
Public School Staff Data  
For the Year Ended June 30, 2009**

	<b>All Classroom Teachers</b>	<b>Classroom Teachers Excluding ROTC and Rehired Retirees</b>
<b>Average Classroom Teachers' Salary Including Extra Compensation</b>	\$ 47,872	\$ 47,872
<b>Average Classroom Teachers' Salary Excluding Extra Compensation</b>	\$ 45,430	\$ 45,430
<b>Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries</b>	271	271

**Note:** Figures reported include all sources of funding (i.e., federal, state, and local) but exclude employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers and ROTC teachers receive more compensation because of a federal supplement. Therefore, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes and temporary employees.

Class Size Characteristics

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number		Number	Percent	Number	Percent	Number
Elementary	67%	304	32%	144	1%	4	0%	-
Elementary Activity Classes	50%	32	47%	30	3%	2	0%	-
Middle/Jr. High	62%	214	32%	110	6%	21	0%	-
Middle/Jr. High Activity Classes	75%	55	7%	5	12%	9	5%	4
High	63%	232	22%	80	15%	57	1%	2
High Activity Classes	92%	137	4%	6	4%	6	0%	-
Combination	0%	-	0%	-	0%	-	0%	-
Combination Activity Classes	0%	-	0%	-	0%	-	0%	-

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

**WEST BATON ROUGE PARISH SCHOOL BOARD  
PORT ALLEN, LOUISIANA**

**Schedule 7  
1 of 2**

**Louisiana Educational Assessment Program (LEAP) for the 21st Century  
For the Year Ended June 30, 2009**

District Achievement Level Results	English Language Arts						Mathematics					
	2009		2008		2007		2009		2008		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 4</b>												
Advanced	6	2.17%	8	3.15%	6	2.79%	8	2.90%	7	2.76%	4	1.86%
Mastery	54	19.57%	62	24.41%	47	21.86%	35	12.68%	50	19.69%	25	11.63%
Basic	146	52.90%	136	53.54%	95	44.19%	137	49.64%	122	48.03%	92	42.79%
Approaching Basic	52	18.84%	28	11.02%	42	19.53%	60	21.74%	45	17.72%	56	26.05%
Unsatisfactory	18	6.52%	20	7.88%	25	11.63%	36	13.04%	30	11.80%	38	17.67%
<b>Total</b>	<b>276</b>	<b>100.00%</b>	<b>254</b>	<b>100.00%</b>	<b>215</b>	<b>100.00%</b>	<b>276</b>	<b>100.00%</b>	<b>254</b>	<b>100.00%</b>	<b>215</b>	<b>100.00%</b>

District Achievement Level Results	Science						Social Studies					
	2009		2008		2007		2009		2008		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 4</b>												
Advanced	10	3.62%	2	0.79%	4	1.86%	2	0.72%	2	0.79%	6	2.79%
Mastery	42	15.22%	34	13.39%	21	9.77%	26	9.42%	36	14.17%	24	11.16%
Basic	135	48.91%	124	48.82%	100	46.51%	165	59.78%	135	53.15%	117	54.42%
Approaching Basic	65	23.55%	72	28.35%	67	31.16%	48	17.39%	54	21.26%	42	19.53%
Unsatisfactory	24	8.70%	22	8.63%	23	10.70%	35	12.69%	27	10.63%	26	12.10%
<b>Total</b>	<b>276</b>	<b>100.00%</b>	<b>254</b>	<b>100.00%</b>	<b>215</b>	<b>100.00%</b>	<b>276</b>	<b>100.00%</b>	<b>254</b>	<b>100.00%</b>	<b>215</b>	<b>100.00%</b>



WEST BATON ROUGE PARISH SCHOOL BOARD  
PORT ALLEN, LOUISIANA

Schedule 7  
2 of 2

Louisiana Educational Assessment Program (LEAP) for the 21st Century  
For the Year Ended June 30, 2009

District Achievement Level Results	English Language Arts						Mathematics					
	2009		2008		2007		2009		2008		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 8</b>												
Advanced	1	0.42%	2	0.87%	0	0.00%	14	5.83%	4	1.75%	6	2.87%
Mastery	32	13.33%	23	10.04%	18	8.65%	8	3.33%	5	2.18%	8	3.83%
Basic	128	53.33%	109	47.60%	105	50.48%	134	55.83%	116	50.66%	97	46.41%
Approaching Basic	67	27.92%	76	33.19%	68	32.69%	56	23.33%	72	31.44%	57	27.27%
Unsatisfactory	12	5.00%	19	8.30%	17	8.18%	28	11.68%	32	13.97%	41	19.62%
<b>Total</b>	<b>240</b>	<b>100.00%</b>	<b>229</b>	<b>100.00%</b>	<b>208</b>	<b>100.00%</b>	<b>240</b>	<b>100.00%</b>	<b>229</b>	<b>100.00%</b>	<b>209</b>	<b>100.00%</b>

District Achievement Level Results	Science						Social Studies					
	2009		2008		2007		2009		2008		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 8</b>												
Advanced	14	5.88%	2	0.87%	4	1.91%	5	2.10%	3	1.31%	3	1.44%
Mastery	39	16.39%	45	19.65%	34	16.27%	29	12.18%	30	13.10%	21	10.05%
Basic	102	42.86%	92	40.17%	87	41.63%	141	59.24%	102	44.54%	108	51.67%
Approaching Basic	61	25.63%	58	25.33%	55	26.32%	40	16.81%	64	27.95%	45	21.53%
Unsatisfactory	22	9.24%	32	13.98%	29	13.87%	23	9.67%	30	13.10%	32	15.31%
<b>Total</b>	<b>238</b>	<b>100.00%</b>	<b>229</b>	<b>100.00%</b>	<b>209</b>	<b>100.00%</b>	<b>238</b>	<b>100.00%</b>	<b>229</b>	<b>100.00%</b>	<b>209</b>	<b>100.00%</b>

WEST BATON ROUGE PARISH SCHOOL BOARD  
PORT ALLEN, LOUISIANA

Schedule 8

The Graduation Exit Exam for the 21st Century  
For the Year Ended June 30, 2009

District Achievement Level Results	English Language Arts						Mathematics					
	2009		2008		2007		2009		2008		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 10</b>												
Advanced	2	1.0%	3	1.3%	1	0.5%	21	10.1%	30	12.5%	9	4.1%
Mastery	18	8.7%	30	12.5%	25	11.5%	28	13.5%	35	14.6%	43	19.8%
Basic	128	61.8%	130	54.2%	116	53.5%	111	53.6%	112	46.7%	105	48.4%
Approaching Basic	41	19.8%	53	22.0%	58	26.7%	37	17.9%	37	15.4%	32	14.8%
Unsatisfactory	18	8.7%	24	10.0%	17	7.8%	10	4.9%	26	10.8%	28	12.9%
<b>Total</b>	<b>207</b>	<b>100.0%</b>	<b>240</b>	<b>100.0%</b>	<b>217</b>	<b>100.0%</b>	<b>207</b>	<b>100.0%</b>	<b>240</b>	<b>100.0%</b>	<b>217</b>	<b>100.0%</b>

District Achievement Level Results	Science						Social Studies					
	2009		2008		2007		2009		2008		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 11</b>												
Advanced	11	4.78%	3	1.43%	5	2.24%	5	2.17%	2	0.95%	2	0.90%
Mastery	38	16.52%	28	13.33%	40	17.94%	21	9.13%	19	9.05%	21	9.42%
Basic	98	42.61%	76	36.19%	88	39.46%	121	52.61%	106	50.48%	121	54.26%
Approaching Basic	56	24.35%	71	33.81%	55	24.66%	53	23.05%	46	21.90%	45	20.18%
Unsatisfactory	27	11.74%	32	15.24%	35	15.70%	30	13.04%	37	17.62%	34	15.24%
<b>Total</b>	<b>230</b>	<b>100.00%</b>	<b>210</b>	<b>100.00%</b>	<b>223</b>	<b>100.00%</b>	<b>230</b>	<b>100.00%</b>	<b>210</b>	<b>100.00%</b>	<b>223</b>	<b>100.00%</b>

WEST BATON ROUGE PARISH SCHOOL BOARD  
PORT ALLEN, LOUISIANA

Schedule 9  
1 of 4

The IOWA / ILEAP Tests  
For the Year Ended June 30, 2009

The IOWA / ILEAP Tests	2009	2008	2007
Grade 3	48	46	41
Grade 5	48	53	43
Grade 6	49	43	41
Grade 7	46	49	43
Grade 9	58	53	48

Scores are reported by National Percentile Rank. A student's National Percentile Rank shows the student's relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. A student with a score of 72 indicates that the student scored the same or better than 72 percent of the students in the norm group.

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	8	3.0%	9	3.4%	4	1.5%	2	0.8%
Mastery	38	14.4%	46	17.4%	32	12.1%	33	12.5%
Basic	122	46.2%	133	50.4%	120	45.4%	147	55.7%
Approaching Basic	69	26.1%	47	17.8%	87	33.0%	53	20.0%
Unsatisfactory	27	10.3%	29	11.0%	21	8.0%	29	11.0%
Total	264	100.0%	264	100.0%	264	100.0%	264	100.0%

WEST BATON ROUGE PARISH SCHOOL BOARD  
PORT ALLEN, LOUISIANA

Schedule 9  
2 of 4

The IOWA / ILEAP Tests  
For the Year Ended June 30, 2009

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	3	1.1%	9	3.2%	3	1.1%	1	0.4%
Mastery	34	12.1%	20	7.1%	22	7.8%	28	10.0%
Basic	128	45.3%	145	51.4%	131	46.5%	165	58.7%
Approaching Basic	76	27.0%	58	20.6%	91	32.3%	56	19.9%
Unsatisfactory	41	14.5%	50	17.7%	35	12.3%	32	11.0%
Total	282	100.0%	282	100.0%	282	100.0%	282	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	5	2.2%	9	4.0%	11	4.9%	20	8.9%
Mastery	35	15.6%	16	7.1%	30	13.3%	22	9.8%
Basic	116	51.6%	111	49.1%	103	45.8%	109	48.4%
Approaching Basic	55	24.4%	50	22.1%	62	27.6%	55	24.4%
Unsatisfactory	14	6.2%	39	17.7%	19	8.4%	19	8.5%
Total	225	100.0%	225	100.0%	225	100.0%	225	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	8	3.0%	4	1.5%	6	2.2%	10	3.7%
Mastery	34	12.5%	16	5.9%	52	19.2%	70	25.8%
Basic	131	48.3%	129	47.6%	122	45.0%	140	51.7%
Approaching Basic	74	27.3%	68	25.1%	70	25.8%	34	12.5%
Unsatisfactory	24	8.9%	54	19.9%	21	7.8%	17	6.3%
Total	271	100.0%	271	100.0%	271	100.0%	271	100.0%

District Achievement Level Results	English Language Arts		Mathematics	
	2009		2009	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	0	0.0%	9	4.1%
Mastery	22	9.7%	22	10.1%
Basic	133	61.3%	121	55.5%
Approaching Basic	52	24.0%	47	21.6%
Unsatisfactory	11	5.0%	19	8.7%
Total	218	100.0%	218	100.0%

WEST BATON ROUGE PARISH SCHOOL BOARD  
PORT ALLEN, LOUISIANA

Schedule 9  
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The IOWA / ILEAP Tests  
For the Year Ended June 30, 2008

District Achievement Level Results	English Language Arts 2008		Mathematics 2008		Science 2008		Social Studies 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Students								
Grade 3								
Advanced	4	1.4%	10	3.5%	8	2.9%	2	0.7%
Mastery	36	12.7%	36	12.7%	27	9.5%	32	11.3%
Basic	133	47.0%	120	42.4%	117	41.3%	133	47.0%
Approaching Basic	61	21.6%	66	23.3%	85	30.0%	68	24.0%
Unsatisfactory	49	17.3%	51	18.0%	46	16.3%	48	17.0%
Total	283	100.0%	283	100.0%	283	100.0%	283	100.0%

District Achievement Level Results	English Language Arts 2008		Mathematics 2008		Science 2008		Social Studies 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Students								
Grade 5								
Advanced	4	2.0%	11	5.5%	3	1.5%	1	0.6%
Mastery	36	18.3%	26	13.2%	27	13.7%	30	15.2%
Basic	88	44.7%	90	45.7%	84	42.6%	106	53.8%
Approaching Basic	43	21.8%	36	18.3%	61	31.0%	42	21.3%
Unsatisfactory	26	13.2%	34	17.3%	22	11.2%	18	9.1%
Total	197	100.0%	197	100.0%	197	100.0%	197	100.0%

District Achievement Level Results	English Language Arts 2008		Mathematics 2008		Science 2008		Social Studies 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Students								
Grade 6								
Advanced	4	1.4%	8	2.9%	6	2.3%	14	5.0%
Mastery	35	12.5%	16	5.7%	35	12.5%	37	13.3%
Basic	132	47.3%	129	46.2%	136	48.7%	121	43.4%
Approaching Basic	83	29.7%	60	21.5%	74	26.5%	72	25.8%
Unsatisfactory	25	9.1%	66	23.6%	28	10.0%	35	12.5%
Total	279	100.0%	279	100.0%	279	100.0%	279	100.0%

District Achievement Level Results	English Language Arts 2008		Mathematics 2008		Science 2008		Social Studies 2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Students								
Grade 7								
Advanced	10	3.6%	4	1.5%	4	1.4%	11	4.0%
Mastery	32	11.6%	15	5.5%	26	9.5%	34	12.4%
Basic	130	47.3%	122	44.2%	118	42.9%	143	52.0%
Approaching Basic	76	27.6%	86	31.3%	78	28.4%	53	19.3%
Unsatisfactory	27	9.9%	48	17.5%	49	17.8%	34	12.3%
Total	275	100.0%	275	100.0%	275	100.0%	275	100.0%

District Achievement Level Results	English Language Arts 2008		Mathematics 2008	
	Number	Percent	Number	Percent
Students				
Grade 9				
Advanced	1	0.6%	9	4.4%
Mastery	16	7.8%	12	5.9%
Basic	109	53.4%	120	58.8%
Approaching Basic	67	32.8%	40	19.6%
Unsatisfactory	11	5.4%	23	11.3%
Total	204	100.0%	204	100.0%

WEST BATON ROUGE PARISH SCHOOL BOARD  
PORT ALLEN, LOUISIANA

Schedule 9  
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The IOWA / ILEAP Tests  
For the Year Ended June 30, 2007

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	2	0.7%	6	2.1%	1	0.4%	1	0.4%
Mastery	37	13.1%	34	12.0%	29	10.2%	37	13.1%
Basic	123	43.5%	120	42.4%	113	39.9%	123	43.5%
Approaching Basic	68	24.0%	61	21.6%	99	35.0%	71	25.1%
Unsatisfactory	53	18.7%	62	21.9%	41	14.5%	51	18.0%
Total	283	100.0%	283	100.0%	283	100.0%	283	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	2	0.8%	5	1.9%	3	1.2%	0	0.0%
Mastery	28	10.9%	21	8.2%	32	12.5%	16	6.3%
Basic	101	39.3%	97	37.7%	97	37.7%	135	52.7%
Approaching Basic	76	29.5%	58	22.6%	85	33.1%	55	21.5%
Unsatisfactory	50	19.4%	76	29.6%	40	15.5%	51	19.5%
Total	257	100.0%	257	100.0%	257	100.0%	257	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	5	1.9%	4	1.5%	4	1.5%	12	4.5%
Mastery	26	9.7%	21	7.8%	29	10.9%	23	8.6%
Basic	133	49.4%	123	45.7%	112	41.9%	138	51.5%
Approaching Basic	67	24.9%	63	23.4%	85	31.8%	51	19.0%
Unsatisfactory	38	14.1%	58	21.6%	39	13.9%	45	16.4%
Total	269	100.0%	269	100.0%	269	100.0%	269	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	10	4.0%	5	2.0%	4	1.6%	5	2.0%
Mastery	26	10.3%	12	4.7%	32	12.6%	44	17.4%
Basic	104	41.1%	112	44.3%	96	37.9%	104	41.1%
Approaching Basic	75	29.6%	65	25.7%	78	30.8%	61	24.1%
Unsatisfactory	38	15.0%	59	23.3%	43	17.0%	39	15.4%
Total	253	100.0%	253	100.0%	253	100.0%	253	100.0%

District Achievement Level Results	English Language Arts		Mathematics	
	2007		2007	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	2	0.7%	10	3.8%
Mastery	21	7.4%	24	8.5%
Basic	137	48.4%	139	48.9%
Approaching Basic	90	31.8%	55	19.4%
Unsatisfactory	33	11.7%	55	19.4%
Total	283	100.0%	283	100.0%

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**REPORT TO MANAGEMENT**

**JUNE 30, 2009**

**WEST BATON ROUGE PARISH SCHOOL BOARD**

**REPORT TO MANAGEMENT**

**JUNE 30, 2009**



December 7, 2009

**Members of the Board and Management  
West Baton Rouge Parish School Board  
Port Allen, Louisiana**

In planning and performing our audit of the financial statements of the West Baton Rouge Parish School Board (School Board) for the year ended June 30, 2009, we considered the School Board's internal controls to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit, we became aware of several matters that are opportunities for improving financial reporting and refining policies and procedures. The following paragraphs summarize our comments and suggestions regarding those matters. This letter does not affect our report dated December 7, 2009 on the financial statements of the School Board.

**A. Outstanding Checks**

**Condition:**

At the time of our audit, there were several checks that had been outstanding for several months. Tracking outstanding checks is an important control procedure that ensures that all outgoing checks are accounted for.

**Recommendation:**

The School board should determine that outstanding checks have been appropriately reversed and that unclaimed amounts have been properly handled in accordance with state escheat laws.

**Management's Response:**

*The School Board will contact the Louisiana Department of Treasury and report outstanding checks that have not been claimed by the rightful owner in excess of the holding period (5 years).*

**B. Emergency Declaration**

**Condition:**

The School Board did not declare an emergency declaration during Hurricane Gustav. The School Board operated under the emergency declaration made by the Governor of the State of Louisiana.

**Recommendation:**

The School Board should implement procedures to issue a state of emergency by the members of the Board. This will allow for immediate action to be taken with regards to public works and the purchase of materials and supplies absent compliance with the formalities of the Public Bid Law.

**Management's Response:**

*The School Board accepts the recommendation and will document procedures to ensure the declaration of a state of emergency when needed.*

**C. Reconciling Fixed Assets to the General Ledger**

**Condition:**

At the present time, there is no procedure for reconciling detailed fixed asset purchases and /or deletions to the depreciation schedule on a regular basis. The Supervisor of Business Services reconciled fixed assets after year end.

**Recommendation:**

To prevent the need for major adjustments to the depreciation schedule at the end of each year, fixed asset purchases and deletions should be reconciled to the to the depreciation schedule at a minimum on a quarterly basis.

**Management's Response:**

*The School Board will hire a CPA firm to reconcile fixed asset purchases and/or deletions to the depreciation schedule quarterly.*

**D. Management Approval of Purchase Orders**

**Condition:**

During the course of the audit, it was determined that purchases orders were not used consistently, and purchase orders, routinely, were completed after receipt of the related invoice and goods. This opens the opportunity for not only unapproved but also fraudulent purchases. However, this was not observed during the audit.

**Recommendation:**

Purchases orders should consistently be used according to the criteria established by the School Board. The approval of purchase orders should be documented by a signature and date.

**Management's Response:**

*The School Board accepts the recommendation and will convey to employees the importance of completing purchase orders according to School Board policy.*

**E. Control over Credit Cards**

**Condition:**

During audit procedures, it was determined that several employees have use of credit cards. The credit cards are used significantly and could result in circumvention of the public bid law.

**Recommendation:**

Credit cards should be issued to only a few high level employees and their usage be kept to a minimum in order to strengthen the internal controls over disbursements and help lower the risk of misappropriation of assets.

**Management's Response:**

*The School Board concurs with the recommendation and will implement procedures to restrict the use of credit cards.*

We have already discussed many of these comments and suggestions with management, and we will be pleased to discuss them in further detail at your convenience. We would also welcome any opportunity to perform any additional study of these matters or to assist you in implementing the recommendations. We would also like to thank the School Board staff for their patience and cooperation with us during the performance of the audit.

*Patricia E. Nettles*